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HR 7765

# Calendar No. 522

89TH CONGRESS }  
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SENATE }

REPORT  
No. 537

## DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRI- ATION BILL, 1966

AUGUST 3, 1965.—Ordered to be printed

Mr. HILL, from the Committee on Appropriations, submitted  
the following

### REPORT

[To accompany H.R. 7765]

The Committee on Appropriations, to whom was referred the bill (H.R. 7765) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made:

Amount of bill passed by House-----	\$7,964,034,000
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Amount added by Senate (net)-----	59,067,500
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Total of bill as reported to Senate-----	8,023,101,500
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Amount of appropriations, 1965-----	7,702,395,000
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Budget estimates, 1966-----	8,293,814,000
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The bill as reported to the Senate:

Over the appropriations for 1965-----	320,706,500
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Under the estimates for 1966-----	270,712,500
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## DEPARTMENT OF LABOR

## OFFICE OF MANPOWER ADMINISTRATOR

## SALARIES AND EXPENSES

1965 appropriation-----	None
1966 budget estimate-----	\$7, 854, 100
House allowance-----	7, 794, 000
Committee recommendation-----	7, 794, 000

The committee recommends \$7,794,000, the same as the House allowance, a decrease of \$60,100 from the budget estimate.

Funds for these purposes have heretofore been appropriated under the heading "Manpower development and training activities." The budget request contemplated an addition of eight positions, six for the Office of Manpower Administration and two for the President's Committee on Manpower. The committee concurs in the House action in denying funds for these additional positions sought.

The budget for 1966 proposed the consolidation of three major agencies—the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the salaries and expenses of the manpower program—into a new account styled "Office of Manpower Administration." The committee is in complete agreement with the comment of the House report in this connection "The committee has prepared the bill in such a way that these activities will each receive its separate appropriation. The committee would be strongly opposed to any proposition to revive the plan for this reorganization."

## MANPOWER DEVELOPMENT AND TRAINING ACTIVITIES

1965 appropriation-----	\$396,906,000
1966 budget estimate-----	273,500,000
House allowance-----	273,500,000
Committee recommendation-----	273,500,000

The committee recommends approval of the full budget estimate and House allowance, \$273,500,000, a reduction of \$123,406,000 from the 1965 appropriation.

It is estimated that with this allowance a total of 235,000 trainees will be accommodated. There is pending a supplemental estimate in the Congress for an additional \$126,070,000 based on the 1965 amendments to the Manpower Development and Training Act.

The original act called for 50-50 matching of direct program costs of training and allowance payments, beginning in fiscal year 1965. The States did not respond by appropriating the matching funds, and the act was amended in 1964 to set aside matching for fiscal year 1965, and to require 2-1 matching, two-thirds Federal and one-third States, beginning in fiscal year 1966. There was no evidence of intent by the States to make available matching funds, and the Congress removed any matching for fiscal year 1966 and further liberalized the act.

## BUREAU OF APPRENTICESHIP AND TRAINING

## SALARIES AND EXPENSES

1965 appropriation.....	\$5,722,000
1966 budget estimate.....	6,665,100
House allowance.....	6,665,000
Committee recommendation.....	6,665,000

The committee recommends an appropriation of \$6,665,000, the same amount as approved by the House, and \$100 under the budget estimate, an increase of \$943,000 over the 1965 appropriation, of which \$607,000 represents the assumption of responsibilities previously carried under the manpower development and training program.

This allowance provides a net increase of 15 positions and \$381,700 to provide additional staff resources to promote and develop an expanded Manpower Development and Training Act on-the-job training program.

## BUREAU OF EMPLOYMENT SECURITY

## SALARIES AND EXPENSES

1965 appropriation.....	\$13,952,500
1966 budget estimate.....	17,588,000
House allowance.....	17,594,000
Committee recommendation.....	17,594,000

The committee approves a total of \$17,594,000, as did the House, of which \$15,434,000 is to be derived from the Unemployment Trust Fund and \$2,160,000 from the general fund of the Treasury, an increase of \$1,481,000 over the trust fund transfer for 1965, and \$2,160,000 in the direct appropriation. General fund revenues are made available for activities under the manpower development and training program and for the farm labor contractor registration program, heretofore appropriated separately.

The Bureau of the Budget revised the Department's estimate to reduce funds for the Veterans Employment Service by \$427,500. The veterans' organizations decried this intemperate action by the Budget Bureau, and the House restored the funds, allowing \$1,708,000 for the Service, to which this committee subscribes.

There is provided \$1,946,800 for the farm labor service, an increase of \$438,200 over funds available in fiscal year 1965, and \$458,000 for farm labor contractor registration activities.

The House Appropriation Committee Report has the following to say about the absolute essentiality to assure the timely availability of labor for the harvesting of perishable agricultural products:

The committee is convinced that this is an absolute necessity if a critical situation is to be avoided as a result of loss of foreign agricultural labor due to the expiration of the Mexican Farm Labor Program and the tightening of regulations relating to importation of other foreign labor. The committee agrees that foreign labor should not be imported if there is capable domestic labor available to do the job. However, the timely availability of labor for the harvesting of perishable agricultural products is essential. Lack of it can mean bankruptcy for individual farmers and shortages and higher prices for consumers. Timely availability of labor under current circumstances cannot to assured with the domestic farm labor programs we have had in the past. The committee strongly urges that this matter be given high priority by the Secretary and all in the Department of Labor with responsibilities in this area.

This committee underscores the obvious feelings of the House on this matter and, because of instances which have occurred which have resulted in unwarranted crop loss and income to both small and big farmers due to the failure to provide a timely and adequate labor supply, the Department is urged to take immediate steps to insure that this situation is corrected immediately.

The Department should be prepared, when it appears to testify before this committee on the pending 1966 supplemental for additional funds under Public Law 414, to inform the Senate of the specific plans which will be used to prevent future crop loss and income loss due to its failure to carry out its responsibilities.

#### ADVANCES FOR EMPLOYMENT SERVICES

1965 appropriation-----	None
1966 budget estimate-----	\$39, 280, 000
House allowance-----	None
Committee recommendation-----	20, 000, 000

The committee has approved an appropriation of \$20 million out of the general funds and not the Unemployment Trust Fund as has been the wont since the passage of the Employment Security Administrative Financing Act of 1954 and its later amendments. This appropriation will by the terms of the bill language be transferred to the account "Grants to States for unemployment compensation and employment service administration" for which the estimate, House allowance and committee recommendation contemplates the full authorization of \$492,100,000, and is to be repaid as may be hereafter provided by law.

The budget request was disallowed in its entirety by the House on the allegation that this request, based on the authorization for appropriations contained in the Wagner-Peyser Act, approved June 6, 1933, was simply a means of setting aside the limitation cited above. The committee felt however that there was some merit to the Department's position there is legal authority for the requested appropriation, and has accordingly approved \$20 million, to be used for the establishment and operation of Youth Opportunity Centers. No funds are provided for the job vacancy information program for which \$2,280,000 was budgeted.

#### GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE ADMINISTRATION

1965 appropriation-----	\$455, 636, 000
1966 Budget estimate-----	492, 100, 000
House allowance-----	492, 100, 000
Committee recommendation-----	492, 100, 000

The committee recommends approval of the full budget estimate \$492,100,000, as did the House, an increase of \$36,464,000 over the 1965 appropriation, to be derived from the Unemployment Trust Fund into which are paid the net collections under the Federal Unemployment Tax Act. This allowance will provide the full authorization.

Grants are made to the States for administration of the programs for the Unemployment Insurance Service and the Employment Service.



The unemployment insurance program estimate contemplated a workload of 1.5 million insured unemployed average per week; the average for the first 3 weeks in July is 1.1 million.

The District of Columbia Employment Service, federally operated and financed through this appropriation, has had a unit housed in the Senate Office Building for several years, serving both sides of the Hill, with less than adequate space. No additional space is available in the Senate Office Buildings. Plans were made to open a unit in the new House Office Building, with more adequate space to serve both sides of the Hill. The Committee on Rules notified this committee that it wished the unit retained at its present location and with its present resources to serve the Senate. The Bureau of Employment Security is directed to provide sufficient funds for the continued operation of the unit on the Senate side to serve the offices of Senators.

#### UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES AND EX-SERVICEMEN

1965 appropriation-----	\$137,000,000
1966 budget estimate-----	141,000,000
House allowance-----	131,000,000
Committee recommendation-----	131,000,000

The committee recommends approval of \$131 million, as did the House, a reduction of \$10 million from the budget request, and \$6 million less than the 1965 appropriation.

The committee has been advised that benefits under the program totaled \$132,233,924 during fiscal year 1965, or \$4,766,076 less than the appropriation; the estimate for the final quarter of fiscal year 1965, furnished the committee in April, was \$37 million; actual disbursements were \$30,590,968. It must be concluded from the experience of the past few months that the House allowance, with which this committee agrees, is quite adequate for fiscal year 1966.

#### LABOR-MANAGEMENT SERVICES ADMINISTRATION

##### SALARIES AND EXPENSES

1965 appropriation-----	\$7,743,300
1966 budget estimate-----	8,580,000
House allowance-----	8,580,000
Committee recommendation-----	8,580,000

The committee recommends approval of the full budget estimate, \$8,580,000, as did the House, an increase of \$836,700 over the 1965 appropriation, but an increase on a comparable basis of only \$16,000 inasmuch as funds for the activity, promotion of compliance and assistance to veterans, was included last year in the account "Bureau of Veterans' Reemployment Rights" in the amount of \$820,700.

Funds are provided to cover activities necessary to the administration and enforcement of the Labor-Management Reporting and Disclosure Act of 1959, the Welfare and Pension Plans Disclosure Act, the several provisions of law respecting reemployment rights of veterans and to other functions required to sustain and carry out responsibilities of the Secretary in labor-management relations matters.

## BUREAU OF LABOR STANDARDS

## SALARIES AND EXPENSES

1965 appropriation.....	\$3, 674, 800
1966 budget estimate.....	3, 172, 000
House allowance.....	3, 220, 000
Committee recommendation.....	3, 242, 500

The committee recommends an appropriation of \$3,242,500, an increase of \$22,500 over the House allowance and \$70,500 over the budget estimate, and a decrease of \$432,100 from the 1965 appropriation.

The increase over the budget estimate is comprised of two items—\$22,500 added by this committee for the work of the President's Committee on Employment of the Handicapped, an annualization of the supplemental allowance voted last October; and \$48,000 added by the House restoring a portion of the proposed reduction of \$49,700 in the safety activity which was to have been accomplished by closing the Detroit office and reassigning one of the employees within the region and closing the Fort Lauderdale office and handling the work by the Jacksonville office. These offices will be continued.

The youth function activities, for which \$469,000 was available in fiscal year 1965, have been transferred to other accounts.

## WOMEN'S BUREAU

1965 appropriation.....	\$799, 200
1966 budget estimate.....	860, 000
House allowance.....	860, 000
Committee recommendation.....	860, 000

The committee concurs in the House allowance of \$860,000, the full budget estimate, and an increase of \$60,800 over the amount appropriated in 1965.

Programs of this Bureau are designed to advance the position of the 26,500,000 women in the labor force through the promotion of improved working conditions, expanded job opportunities, better training, and more adequate counseling services.

Major increases over 1965 are \$42,400 for the appointment of a Director, grade GS-17, a GS-9 secretary, and related costs, and \$15,000 to finance a higher rate of average employment.

## WAGE AND HOUR DIVISION

## SALARIES AND EXPENSES

1965 appropriation.....	\$20, 952, 000
1966 budget estimate.....	20, 405, 000
House allowance.....	20, 905, 000
Committee recommendation.....	20, 905, 000

The committee recommends approval of an appropriation of \$20,905,000, as did the House, an increase of \$500,000 over the budget request, and a decrease of \$47,000 from the 1965 appropriation.

The budget request contemplated a reduction of 49 positions and approximately \$500,000 in the enforcement activities of the Division. The House added \$500,000 which will enable the retention of 45 of

the 49 positions abolished by the Bureau of the Budget, including full restoration of the 35 investigator positions.

The purpose of the Division is to obtain compliance with minimum standards respecting wages, hour, and other employment conditions in industries engaged in interstate commerce and in certain establishments furnishing goods to the Government.

### BUREAU OF EMPLOYEES' COMPENSATION

#### SALARIES AND EXPENSES

1965 appropriation.....	\$4, 596, 300
1966 budget estimate.....	4, 374, 000
House allowance.....	4, 558, 000
Committee recommendation.....	4, 558, 000

The committee concurs in the House allowance of \$4,558,000, including \$63,000 to be derived from the longshoremen's trust fund, an increase of \$184,000 over the budget estimate, and a decrease of \$38,300 under the 1965 appropriation.

This Bureau administers the Federal Employees' Compensation Act, the Longshoremen's and Harbor Workers' Act, the Defense Bases Act, certain provisions of the War Claims Act, and the Nonappropriated Fund Instrumentalities Act.

The budget estimate contemplated a gross reduction of \$189,200 and 22 positions in the Federal employees activity because of an increase in productivity. The committee's action will add \$184,000 to the estimate so that activities can be carried on at approximately the current level.

#### EMPLOYEES COMPENSATION CLAIMS AND EXPENSES

1965 appropriation.....	\$52, 650, 000
1966 budget estimate.....	49, 606, 000
House allowance.....	48, 530, 000
Committee recommendation.....	48, 530, 000

The committee recommends the House allowance of \$48,530,000, a decrease of \$1,076,000 under the budget estimate, and \$4,120,000 less than the amount appropriated in 1965.

Under this appropriation benefits are paid to civil employees of the Government disabled in the performance of duty or to their dependents, to dependents of certain reservists in the Armed Forces who died while on active duty with the Armed Forces or while engaged in authorized training in time of peace, to members of the Civil Air Patrol, and to others by various extensions of the Federal Employees' Compensation Act.

The budget estimate included an increase of \$1,076,000 to fund the increased cost of treatment of injured Federal employees in Public Health Service Hospitals at Chicago and Memphis which the Public Health Service proposed to close, and has closed. The House denied this increase, an action concurred in by this committee.

The reduction of \$4,120,000 below the 1965 appropriation is more than compensated for by an estimated increase of \$5,820,000 in transfers from other Government agencies under the provisions of the Federal Employees' Compensation Act Amendments of 1960.

## BUREAU OF LABOR STATISTICS

## SALARIES AND EXPENSES

1965 appropriation-----	\$18,542,000
1966 budget estimate-----	20,601,000
House allowance-----	19,601,000
Committee recommendation-----	19,726,000

The committee recommends an appropriation of \$19,726,000, an increase of \$125,000 over the House allowance, and \$1,184,000 more than the 1965 appropriation.

The allowance recommended will provide \$51,500 net increase for certain mandatory items; an increase of \$627,500 to expand employment and unemployment statistics; an increase of \$300,000 to expand national survey of professional, administrative, technical, and clerical pay; an increase of \$80,000 to expand establishment statistics program; and \$125,000 to initiate a revision of the City Worker's Family Budget and the Retired Couple's Budget.

No appeal was made by the Department for restoration of any part of the House cut; the committee was convinced however that funds should be allowed to initiate the standard budget research referred to above.

## BUREAU OF INTERNATIONAL LABOR AFFAIRS

1965 appropriation-----	\$881,500
1966 budget estimate-----	1,204,000
House allowance-----	1,204,000
Committee recommendation-----	1,204,000

The committee approves the House allowance of the full budget estimate of \$1,204,000, an increase of \$322,500 over the 1965 appropriation.

The Bureau covers international labor affairs and foreign economic activities within the Department and, with other agencies, assists the U.S. participation in the International Labor Organization, and provides for labor and manpower technical services to other Government and international agencies.

The activities under the previous appropriation title "Trade adjustment activities" for which \$344,000 was appropriated in 1965, have been merged with this appropriation item, and this accounts for the sizable increase over 1965. On a comparable basis with 1965, there is a reduction of about \$22,000 which will necessitate a reduction in positions from 92 to 90.

## OFFICE OF THE SOLICITOR

## SALARIES AND EXPENSES

1965 appropriation-----	\$5,183,000
1966 budget estimate-----	5,436,000
House allowance-----	5,537,000
Committee recommendation-----	5,537,000

The committee recommends an appropriation of \$5,537,000, of which \$5,401,000 is a direct appropriation and \$136,000 is to be derived by transfer from the Unemployment Trust Fund, the same allowance as provided by the House, an increase of \$354,000 over the 1965 appropriation and \$101,000 over the budget estimate.

The increase of \$101,000 over the budget request results from a decision to appropriate this amount direct to the Office of the Solicitor rather than as a comparative transfer from the Bureau of Employment Security, salaries and expenses.

## OFFICE OF THE SECRETARY

## SALARIES AND EXPENSES

1965 appropriation.....	\$3,190,000
1966 budget estimate.....	3,685,000
House allowance.....	3,685,000
Committee recommendation.....	3,685,000

The committee recommends a total allowance of \$3,685,000, as did the House, of which \$3,545,000 is a direct appropriation, and \$140,000 to be derived by transfer from the Unemployment Trust Fund, an increase of \$495,000 over available funds in fiscal year 1965.

The increases are comprised mainly of two items, \$309,000 to finance rental costs and \$121,000 for the employees' compensation appeals board, heretofore budgeted under the Bureau of Employees' Compensation.

DEPARTMENT OF HEALTH, EDUCATION, AND  
WELFARE

## FOOD AND DRUG ADMINISTRATION

## SALARIES AND EXPENSES

1965 appropriation.....	\$40,370,000
1966 budget estimate.....	50,352,000
House allowance.....	50,352,000
Committee recommendation.....	50,352,000

The committee concurs with the House allowance and budget estimate of \$50,352,000, which is an increase of \$9,982,000 and 402 positions over the 1965 appropriation.

Every year since 1957, when \$6,779,000 was appropriate for this activity, substantial increases have been provided by the Congress to enable the Food and Drug Administration to afford better protection to the health and interests of the Nation's consumers. The 1966 allowance will strengthen and improve the agency's research and facilities in order to move effectively to fulfill its statutory responsibilities in the areas of adulterated and misbranded foods, drugs, cosmetics, therapeutic devices, and household products containing hazardous substances.

There is an increase of \$1,742,175 for various mandatory items. The program increases are for (1) evaluation of drug applications, \$2,759,000; (2) applied food and drug research, \$1,418,700; (3) scientific support of pesticide, food and drug evaluation programs, \$817,400, (4) consumer education and promotion of voluntary compliance, \$207,100, (5) improvement in field office resources, \$1,156,800, and (6) support of science information system and administrative and central laboratory services, \$2,232,500.

## BUILDINGS AND FACILITIES

1965 appropriation.....	\$10, 875, 000
1966 budget estimate.....	6, 324, 000
House allowance.....	5, 720, 000
Committee recommendation.....	6, 324, 000

The committee recommends \$604,000 above the House allowance, which is the full budget estimate and a decrease of \$4,551,000 under the amount appropriated in 1965.

The approved funds will provide \$604,000, deleted by the House, to plan a laboratory building at the Beltsville, Md., site to house approximately 450 scientists and related personnel, to be available for occupancy in 1969. The House committee indicated that it previously raised the question of whether additional work planned to be done in the headquarters laboratories could be decentralized to field laboratories, and asked that a serious study be made of this question. There is a headquarters laboratory to open there within a short time and an animal-pharmacological laboratory building was opened several years ago. This committee feels that the planning of this enlarged facility in nearby Maryland alongside other similar facilities is a proper one.

The major part of the remaining funds will provide for construction and fixed equipment for district office facilities in St. Louis and San Francisco, \$3,945,000, and for equipping newly constructed district office facilities in Chicago, Denver, and Philadelphia, \$650,000.

## OFFICE OF EDUCATION

## EXPANSION AND IMPROVEMENT OF VOCATIONAL EDUCATION

1965 appropriation.....	\$158, 296, 000
1966 budget estimate.....	257, 491, 000
House allowance.....	262, 491, 000
Committee recommendation.....	252, 491, 000

The committee recommends \$252,491,000, a decrease of \$10 million under the House allowance, \$5 million under the budget estimate, and \$94,195,000 over the amount appropriated in 1965.

The budget request included \$5 million for the construction of one residential vocational education school in the District of Columbia. Funds approved by the House contained \$10 million for construction of two of these schools with no sites designated. Last year the estimates for both the regular appropriation bill and supplemental appropriation bill included requests for \$25 million for the five schools authorized by section 14 of the Vocational Education Act of 1963. In both instances the Senate committee deleted the entire amount on the basis that no sites were designated, and no funds were appropriated. The committee is once again disallowing funds for these schools on the same grounds—the sites have not been selected. One-third, or \$53,250,000, of the funds contained in the estimate for implementing the Vocational Education Act of 1963 must be used for the construction of area vocational education schools and vocational education for school dropouts and high school graduates, so provision is being made to erect new vocational education schools in which the States and communities share in the construction costs.

Principal increases over the 1965 appropriation are: \$53,100,000 for grants to States under the Vocational Education Act of 1963; \$5,900,-

000 for research and special project activities; and \$20 million for work-study programs.

## HIGHER EDUCATION FACILITIES CONSTRUCTION

1965 appropriation-----	\$463, 150, 000
1966 budget estimate-----	641, 750, 000
House allowance-----	641, 750, 000
Committee recommendation-----	632, 700, 000

The committee approves \$632,700,000, a decrease of \$9,050,000 under the House allowance and budget estimate, and increase of \$169,550,000 over the 1965 appropriation.

The budget requested \$119,050,000 under title III of the Higher Education Facilities Construction Act of 1963, Public Law 88-204 approved December 16, 1963, for construction loans. Last year \$169,-250,000 was appropriated for the purpose, of which only \$107,716,000 was obligated, with the balance of \$61,534,000 reverting to the Treasury. In the light of this experience, the committee is allowing \$110 million for construction loans, a reduction of \$9,050,000 below the estimate and \$2,284,000 more than the amount obligated in 1965.

The Senate has added language providing for the use of \$2 million from funds under title I of the act "Grants for construction of undergraduate academic facilities" for State administrative expenses as authorized in section 105 of the act. Under title I, State commissions are responsible for developing State plans, determining priorities for construction projects, and administering the facilities grant program. Originally the budget did not provide an amount for State administrative expenses since the act was previously interpreted to authorize Federal funds for this activity only through 1965. A subsequent legal opinion concluded that the act authorizes funds for the first 2 fiscal years of operation of the program—1965 and 1966. A number of States in 1966 would be unable to continue operation of the State commissions which are required for proper administration of the program in the absence of the added language.

This allowance provides \$460 million for grants for construction of undergraduate academic facilities. The act authorized annual appropriations of \$230 million for each of 3 fiscal years—1964-66, and provided that an unfunded authorization would carry over to the subsequent years. No appropriation was made for fiscal year 1964, so the 1966 request is for the 2-year authorization.

## FURTHER ENDOWMENT OF COLLEGES OF AGRICULTURE AND THE MECHANIC ARTS

1965 appropriation-----	\$11, 950, 000
1966 budget estimate-----	11, 950, 000
House allowance-----	11, 950, 000
Committee recommendation-----	11, 950, 000

The committee recommends the House allowance of \$11,950,000 the full budget estimate and the same as the amount appropriated in 1965.

This annual appropriation under the Bankhead-Jones Act plus the permanent appropriation under the Morrill Act for the same purpose, supports college instruction in agriculture, the mechanic arts and related fields, in the 68 land-grant colleges. Each State and Puerto

Rico receives a minimum of \$150,000 which totals \$7,650,000, and the balance is distributed on a basis of population. Additional grants of \$50,000 per State and Puerto Rico are provided through the permanent appropriation.

## GRANTS FOR PUBLIC LIBRARIES

1965 appropriation-----	\$55,000,000
1966 budget estimate-----	55,000,000
House allowance-----	55,000,000
Committee recommendation-----	55,000,000

The committee recommends \$55 million the same as the House allowance, budget estimate, and 1965 appropriation.

Under this appropriation grants are made to States, Puerto Rico, Guam, American Samoa, and the Virgin Islands on a matching basis for the promotion and further development of public library service, and for construction of public library buildings. The Library Services and Construction Act, Public Law 88-269, approved February 11, 1964, amended the Library Services Act by increasing the amount of assistance under such act, and by extending such assistance to non-rural areas.

The amount allowed will provide \$25 million in grants for library services, and \$30 million in grants for library construction, the same distribution of funds as in 1965.

Services will be extended to approximately 2 million additional people in 1966, as well as improving library service for about 20 million people presently receiving inadequate service. Approximately 150 building projects will be under construction in 1966, the same number as in 1965.

## PAYMENTS TO SCHOOL DISTRICTS

1965 appropriation-----	\$332,000,000
1966 budget estimate-----	347,000,000
House allowance-----	347,000,000
Committee recommendation-----	347,000,000

The committee concurs with the House allowance of \$347 million, the full budget estimate and an increase of \$15 million over the 1965 appropriation.

Public Law 874, as amended, authorizes payments to assist in the maintenance and operation of schools in areas where enrollments are affected by Federal activities. Such payments are made principally to school districts; however, where such districts cannot assume responsibility for educating federally connected children, payments are made to other agencies for the provision of such education under Federal auspices.

The approved amount will provide funds for about 4,300 eligible school districts and Federal agencies because of the school attendance of approximately 2 million federally connected children. It is estimated that this allowance will provide for 100 percent of entitlements.

The increase in payments to local educational agencies, \$13,500,000, and the increase in payments to other Federal agencies, \$1,500,000, is due to a greater number of eligible children and a higher per pupil cost.



## ASSISTANCE FOR SCHOOL CONSTRUCTION

1965 appropriation.....	\$58,400,000
1966 budget estimate.....	50,190,000
House allowance.....	50,078,000
Committee recommendation.....	50,078,000

The committee approves the House allowance of \$50,078,000. This is a reduction of \$112,000 under the budget estimate, and a decrease of \$8,322,000 under the amount appropriated in 1965.

Public Law 815, as amended, authorizes payments to assist in construction of schools in areas where enrollments are affected by Federal activities. From 1951 through 1965, \$1.23 billion has been appropriated for this program, aiding in the construction of an estimated 63,000 classrooms to house about 1.84 million pupils.

The committee recommendation will provide the full amount estimated to be needed to fund approximately 225 projects of local educational agencies in federally affected areas, thereby providing about 2,300 classrooms for 68,000 pupils. The decrease in requirements for grants to local school districts, compared with 1965, is attributable to an expected decline in the number of children who will be counted for payment, whose parents work or reside on Federal property.

The House reduced the \$820,000 requested for technical services to be supplied by the Housing and Home Finance Agency by \$112,000. The Department has informed the committee that the Housing and Home Finance Agency will take the necessary budgetary and management steps to accommodate technical services operations within the lower allowance.

## DEFENSE EDUCATIONAL ACTIVITIES

1965 appropriation.....	\$348,603,000
1966 budget estimate.....	412,608,000
House allowance.....	412,608,000
Committee recommendation.....	412,608,000

The committee concurs in the House allowance of the full budget estimate of \$412,608,000, an increase of \$64,005,000 over the 1965 appropriation.

The substantial increase over last year is due principally to the expanded program resulting from the amendments to the National Defense Education Act, Public Law 88-665, approved October 16, 1964. In 1965 \$15 million was included in this appropriation item to finance the area vocational education program. This program is being transferred in 1966 to the appropriation account "Expansion and improvement of vocational education."

Major increases over 1965 are (1) \$34,300,000 for contributions to student loan funds, and (2) \$25,368,000 for graduate fellowships. These make available the full amounts authorized by law, \$179,300,000 for the loan fund and \$58,108,000 for graduate fellowships, for these two programs.

Provision has been made for several years for making after March 31st loans and payments under the student loan program for the first quarter of the next succeeding fiscal year such sums as may be necessary, the obligations incurred and the expenditures made thereunder

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to be charged to the appropriation for the same purpose for the succeeding year, limited to not in excess of the amount paid for the same purpose under the authority for the current year. The question of the utility of the advance commitment is raised by heavy correspondence with Senators from schools participating in the program. The committee is anxious to encourage college attendance and if the late appropriation of funds is not assuaged by this proviso it will wish to consider changes. The Department is asked to prepare a report on the effectiveness of the paragraph authorizing advance commitments for consideration by the committees during consideration of the appropriations bill for fiscal year 1967.

### EDUCATIONAL IMPROVEMENT FOR THE HANDICAPPED

1965 appropriation.....	\$16,500,000
1966 budget estimate.....	21,500,000
House allowance.....	21,500,000
Committee recommendation.....	21,500,000

The committee approves \$21,500,000, the same as the budget estimate and House allowance, and an increase of \$5 million over the amount appropriated in 1965.

Of the funds provided \$19,500,000, the full authorization and an increase of \$5 million compared with 1965, will finance training grants, and \$2 million will finance research and demonstrations.

Grants are made (1) to support training of teachers, supervisors, speech correctionists, research and other professional personnel in fields related to the education of handicapped children, and (2) for the development of new curricular materials, teaching techniques, and other research and demonstration projects.

### COOPERATIVE RESEARCH

1965 appropriation.....	\$15,840,000
1966 budget estimate.....	25,000,000
House allowance.....	25,000,000
Committee recommendation.....	25,000,000

The committee approves \$25 million, the full budget estimate and the amount of the House allowance, an increase of \$9,160,000 over the 1965 appropriation.

Under this appropriation item, research, demonstrations, course content improvement and related programs are carried out in cooperation with colleges, universities, and States education agencies.

The allowance will provide an increase of \$4,620,437 for continuation costs of the 1965 program. New program increases include \$4,186,683 for areas of special research emphasis, and \$500,000 for research and development centers. There is a decrease of \$147,120 in general research support due to the planned expansion of research activities in the areas of special research emphasis referred to above.

### EDUCATIONAL RESEARCH (SPECIAL FOREIGN CURRENCY PROGRAM)

1965 appropriation.....	\$500,000
1966 budget estimate.....	1,000,000
House allowance.....	1,000,000
Committee recommendation.....	1,000,000

The committee recommends \$1 million, the full budget estimate and House allowance, and an increase of \$500,000 over the 1965 appropriation.

Public Law 480, 83d Congress, as amended, authorizes the use of foreign currencies derived from the sale of surplus agricultural commodities abroad for scientific research, and the promotion and support of educational and cultural development.

The approved funds will provide for purchase of currencies of Burma, India, Indonesia, Israel, Pakistan, Poland, United Arab Republic, and Yugoslavia. Foreign currencies from these countries will be used for educational research, comparative education studies, and to support training projects in South Asia and the Far East, the Middle East, and Eastern Europe.

#### FOREIGN LANGUAGE TRAINING AND AREA STUDIES

1965 appropriation-----	\$1, 500, 000
1966 budget estimate-----	2, 000, 000
House allowance-----	2, 000, 000
Committee recommendation-----	2, 000, 000

The committee concurs in the House allowance of the full budget estimate of \$2 million, an increase of \$500,000 over the amount appropriated in 1965.

The Commissioner of Education is authorized by Executive Order 11034 to administer section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays Act). This section of the Act provides an opportunity for U.S. teachers and prospective teachers of modern foreign languages to live and study in the country whose language they teach. Section 102(b)(6) also permits teachers in foreign countries to participate in foreign language and area studies in the United States.

The approved funds will provide for 400 grants, an increase of 86 over the estimated 314 grants in 1965.

#### SALARIES AND EXPENSES

1965 appropriation-----	\$20, 127, 500
1966 budget estimate-----	23, 072, 000
House allowance-----	22, 562, 000
Committee recommendation-----	22, 562, 000

The committee recommends the House allowance of \$22,562,000, a reduction of \$510,000 under the budget estimate, and an increase of \$2,434,500 over the 1965 appropriation.

An additional 151 positions were included in the budget request for \$23,072,000. The approved funds provide for 100 new positions, a reduction of 51.

Most of the requested increase was for the purpose of carrying out legislation passed last year, and to improve educational statistics. The committee agrees with the House report comment that in view of the fact that a rather substantial increase was granted last year for the purpose of initiating new programs, it is believed that a creditable job can be done with the allowance recommended in the bill.

There is a supplemental estimate before the House now for \$4,500,000 and 330 positions, based on the Elementary and Secondary Education Act of 1965, Public Law 89-10, approved April 11, 1965.

## VOCATIONAL REHABILITATION ADMINISTRATION

## GRANTS TO STATES

1965 appropriation-----	\$100, 100, 000
1966 budget estimate-----	124, 000, 000
House allowance-----	124, 000, 000
Committee recommendation-----	124, 000, 000

The committee recommends \$124 million, which is the same as the budget estimate and House allowance, and an increase of \$23,900,000 over the 1965 appropriation.

Federal matching grants are made to assist the States in rehabilitating handicapped individuals so they may prepare for and engage in remunerative employment. The rehabilitation services provided by the States include medical restoration, training, guidance, and placement services. The requisite State matching rate varies between States according to per capita income, and average approximately 38 percent of the total program. It is estimated that 145,000 persons will be rehabilitated during fiscal year 1966.

Federal grants are made to States to assist them in maintaining projects for new or improved vocational rehabilitation services. A more favorable matching rate of 25 percent is designed to encourage development of new methods and techniques.

The approved amount will provide \$121 million for grants under section 2 of the Vocational Rehabilitation Act for support of basic rehabilitation services, an increase of \$23,900,000, and \$3 million for extension and improvement projects under section 3. The \$121 million estimate is intended to permit full matching of available State funds for services to individuals under the grant formula. An allotment base of \$200 million is used to permit full matching under the formula for nearly all States, and this requires \$119,600,000 of section 2 funds. In addition, \$1,400,000 is included to match funds in those States which will have State funds available in excess of the amount necessary to match their allotments on the basis of \$200 million.

## RESEARCH AND TRAINING

1965 appropriation-----	\$41, 065, 000
1965 budget estimate-----	45, 845, 000
House allowance-----	46, 045, 000
Committee recommendation-----	46, 095, 000

The committee approves \$46,095,000, an increase of \$50,000 over the House allowance, \$250,000 over the budget estimate and \$5,030,000 more than the amount appropriated in 1965.

The committee concurs with the House action in approving \$300,000 requested by the Department but deleted by the Budget Bureau, for 2 special rehabilitation research and training centers under the Special Center Program to bring the total to 16, and \$100,000 for a comprehensive study of the current vocational rehabilitation program and of the Nation's vocational rehabilitation needs. The committee also agrees with the House in expecting that \$200,000 of the \$400,000 added for these two items is to be absorbed by transfer from other budgeted activities. An additional \$50,000 has been recommended to allow plan-

ning grants of \$25,000 each for a center at Warm Springs, Ga., and for the Woodrow Wilson Center at Fishersville, Va.

Other increases are for the mandatory costs of maintaining the 1965 program level for research and demonstrations, training and traineeships, and special centers, \$971,000; for expansion of the grant programs in research and demonstrations, \$1,377,000; and training and traineeships, \$2,232,000.

The Department has advised that the \$100,000 provided for the comprehensive study will be used to assemble a citizens advisory panel to review progress and problems in vocational rehabilitation and to recommend the course of future activities.

#### RESEARCH AND TRAINING (SPECIAL FOREIGN CURRENCY PROGRAM)

1965 appropriation-----	\$2,000,000
1966 budget estimate-----	2,000,000
House allowance-----	2,000,000
Committee recommendation-----	2,000,000

The committee approves \$2 million, the same as the budget estimate, House allowance, and the 1965 appropriation.

The Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and the International Health Research Act of 1960 (Public Law 86-610) authorize the conduct of research and related activities abroad.

The committee recommendation will provide funds for the purchase of currencies of seven foreign countries: Brazil, India, Israel, Pakistan, Poland, Egypt, and Yugoslavia, to fund about 24 research projects and to pay travel costs between the United States and cooperating foreign countries of experts associated with these projects. These currencies have been determined by the Treasury to be excess to U.S. requirements in 1966 and will be used to initiate and carry to completion over approximately a 3-year period, research and related activities in the field of vocational rehabilitation. Research programs are planned for 1966 in all of the countries mentioned above.

#### SALARIES AND EXPENSES

1965 appropriation-----	\$3,232,000
1966 budget estimate-----	3,415,000
House allowance-----	3,415,000
Committee recommendation-----	3,415,000

The committee recommends \$3,415,000, the same amount as the budget estimate and House allowance, and an increase of \$183,000 and 16 positions over the 1965 appropriation.

This appropriation provides funds to administer the program of grants to States for vocational rehabilitation, domestic and international research and training programs, and the program of licensing the blind to operate vending stands on Federal and other properties. Administrative direction is also provided for the Medical Facilities Survey and Construction Act as it pertains to rehabilitation facilities.

The committee action allows funds for mandatory annualization costs, \$51,000, and an increase of \$138,000 for technical and administrative support of expanded grant programs.

## PUBLIC HEALTH SERVICE

## BUILDINGS AND FACILITIES

1965 appropriation-----	\$22, 512, 000
1966 budget estimate-----	7, 781, 000
House allowance-----	9, 431, 000
Committee recommendation-----	8, 977, 000

The committee recommends an appropriation of \$8,977,000, a reduction of \$454,000 from the House, an increase of \$1,196,000 over the budget request, and a decrease of \$13,535,000 from the 1965 appropriation.

Funds in the amount of \$1,670,000 were added by the House, in which the committee concurs, to provide for the completion of construction of the perinatal physiology laboratory in Puerto Rico for the joint use of the National Institutes of Neurological Diseases and Blindness and Child Health and Human Development as a research facility involving the use of primates.

The committee has approved \$20,000 for which there is a budget request for planning an Appalachia environmental health field station to be located adjacent to the University of West Virginia.

The committee added \$250,000 for planning an extension to the Dental Health Center in San Francisco on the Public Health Service hospital grounds, with later construction to cost about \$2.5 million. This Center was opened in July 1961, and has been most productive in research and public health demonstration work.

The committee added \$76,000 for planning funds for an addition needed at the Narragansett Shellfish Laboratory in Rhode Island; the addition is estimated to require about \$1.1 million for construction, to be later requested.

The committee learned of the pressing need of clinical space in the Clinical Center for the National Institute of Child Health and Human Development in order to get its intramural program underway. The 13th floor of the Center was built for clinical space but has been for some time used by administrative personnel. Discussion with NIH officials indicated that relief could be given both to the Institute of Child Health and the National Institute of Arthritis and Metabolic Diseases in the Clinical Center if the plans for the new library addition could be altered to include a subbasement in the library wing to provide 20,000 additional feet at a cost of \$650,000; and to add two floors—six and seven—to Wing D to provide 13,800 gross square feet of area at an estimated cost of \$900,000. The committee has approved \$1,550,000 for the purposes to permit the relocation of administrative personnel in order to provide clinical and laboratory space needed by the two Institutes.

The Federal Water Pollution Act Amendments of 1961 authorized the Secretary "to establish, equip, and maintain field laboratory and research facilities, including, *but not limited to*, one to be located \* \* \*" in each of the seven regions enumerated. Events have proven the need for additional laboratories, especially to serve the Great Plains region, drained by the Mississippi and Missouri Rivers, and to serve the Lower Mississippi region, neither of which can be adequately served by any of the seven laboratories specifically authorized. The committee directs that the Service utilize out of unobligated funds available—balances from the \$1.6 million appropriation for planning

and site acquisition for fiscal year 1962—such moneys necessary to plan facilities to serve the regions above identified in the Columbia, Mo., area and in the Vicksburg-Jackson, Miss., area.

The budget request contemplated, and the House allowed, \$2,350,000 for construction of a Middle Atlantic water pollution control laboratory for which no site has been selected but for which planning funds were made available in the Supplemental Appropriation Act, 1962, approved September 30, 1961. No site has been selected although the laboratory was authorized in the Water Pollution Control Amendments of 1961, approved July 20, 1961. The committee has deleted this item from the bill. When the Secretary has selected the site and notified the Congress, funds will be made available.

## INJURY CONTROL

1965 appropriation-----	\$3, 886, 000
1966 budget estimate-----	4, 199, 000
House allowance-----	4, 500, 000
Committee recommendation-----	4, 199, 000

The committee approves the full budget estimate of \$4,199,000, a decrease of \$301,000 under the House, and an increase of \$313,000 over the amount appropriated in 1965.

This appropriation item was previously entitled "Accident Prevention."

The House allowance provided \$301,000 over the budget estimate, \$276,000 for developmental research and \$25,000 for emergency medical services. These unbudgeted items have been deleted by the committee.

Approved increases over 1965 include \$90,000 for research grants, \$50,000 for fellowships, \$100,000 for the initiation of training grants, and \$73,000 for expansion of the poison control program.

## CHRONIC DISEASES AND HEALTH OF THE AGED

1965 appropriation-----	\$53, 908, 000
1966 budget estimate-----	61, 203, 000
House allowance-----	66, 453, 000
Committee recommendation-----	67, 453, 000

The committee recommends an appropriation of \$67,453,000, an increase of \$1,000,000 over the House allowance, \$6,250,000 over the budget estimate, and \$13,545,000 over the 1966 appropriation.

The mission of this program is to encourage and assist States and communities in developing, operating, and improving programs for preventing the occurrence and the increase of disability and dependency. This is accomplished through a coordinated program of intramural and extramural research, training, and technical services.

The committee concurs with the House action in earmarking increases of \$3,250,000 for work in the field of mental retardation for training personnel to serve the retarded, and \$2,000,000 for activities in the field of hemodialyses which together with the \$1,400,000 in the budget will provide \$3,400,000 for dialysis centers for the support of 14 centers, and other related work.

The committee is concerned by the increased severity of chronic respiratory diseases including emphysema, chronic bronchitis, and asthma. Deaths from emphysema and chronic bronchitis have quad-

rupted in only 10 years. Emphysema is one of the three most frequent diagnoses for which disability benefits are granted by the Social Security Administration, estimated at \$60 million annually. The committee concurs with testimony that the minimal PHS programs need to be accelerated with specific attention given by an identifiable unit of the chronic disease program to demonstrate methods of early detection of cases of emphysema and regimens of disease control and medical rehabilitation to a state of self support: \$1,000,000 is recommended to help support intensive treatment programs and outpatient programs.

#### COMMUNICABLE DISEASE ACTIVITIES

1965 appropriation.....	\$29,974,000
1966 budget estimate.....	39,347,000
House allowance.....	31,347,000
Committee recommendation.....	31,497,000

The committee approves an allowance of \$31,497,000, which is \$150,000 over the House, \$7,850,000 under the budget estimate, and \$1,523,000 more than the amount appropriated in 1965.

This program provides facilities and services for the investigation, prevention, and suppression of communicable diseases other than tuberculosis and venereal diseases by the development, advancement, and demonstration of knowledge and techniques, and for research through grants for all communicable diseases.

The budget request of \$8,000,000 for community immunization grants, contingent upon the enactment of legislation extending and expanding the community immunization program to include measles and other diseases beyond the June 30, 1965, expiration date, was disallowed for lack of authorization. Legislation to extend the authorization had not been enacted at the end of July.

The Public Health Service called attention to the problem of rabies control along the Mexican border. In 1964, a total of 409 cases of canine rabies occurring in the United States were reported to the Communicable Disease Center. Of these 30 percent were from four States bordering Mexico. This concentration of cases is chiefly due to a lack of effective rabies control in Mexican cities contiguous to the border counties, and not to inadequate control programs in the United States. A joint program of the two Governments coordinated through the Pan American Health Organization should effectively control canine rabies. The Public Health Service informed the committee that an increase of \$150,000 over the \$335,000 included in the budget, which is the same amount appropriated for the past 5 years, could be effectively used. The additional \$150,000 is being allowed for the rabies control program.

#### COMMUNITY HEALTH PRACTICE AND RESEARCH

1965 appropriation.....	\$28,230,000
1966 budget estimate.....	63,482,000
House allowance.....	60,482,000
Committee recommendation.....	55,482,000

The committee recommends approval of \$55,482,000, a reduction of \$5,000,000 under the House, \$8,000,000 below the budget estimate, and an increase of \$27,252,000 over the 1965 appropriation.



The budget request of \$63,482,000, an increase of \$35,252,000 over the amount appropriated in 1965, includes transfers of the following programs formerly financed under other appropriations: (1) \$5,000,000 relating to a nationwide referral program for selective service medical rejectees previously financed by the Office of Economic Opportunity; (2) \$15,400,000 for the health professions student loan program funded in 1965 under "Health professions educational assistance"; and (3) \$8,900,000 for the nursing student loan program funded in 1965 under "Nursing services and resources." Other increases contemplated in the budget request are \$2,500,000 for public health traineeships, \$1,500,000 for project grants for graduate public health training, and \$500,000 for health services for migrant workers.

The committee concurs with the House action in deleting the \$3,000,000 request for project grants for domestic agricultural migrant workers due to the expiration of the program on June 30, 1965. Legislation to extend the authorization hadn't been enacted at the end of July.

The request for \$5,000,000 for the program for selective service medical rejectees is disallowed because the committee believes this activity should continue to be funded by the Office of Economic Opportunity as in 1965.

#### CONTROL OF TUBERCULOSIS

1965 appropriation.....	\$10,932,000
1966 budget estimate.....	15,666,000
House allowance.....	15,666,000
Committee recommendation.....	15,666,000

The committee concurs in the House allowance of the full budget estimate of \$15,666,000, an increase of \$4,734,000 over the 1965 appropriation.

The 1966 estimate provides for program activities to continue implementation of the recommendations of the Surgeon General's Task Force on Tuberculosis Control, which were contained in the report submitted to the Surgeon General in December 1963.

There is an increase of \$4,700,000 over 1965 for project grants, thus making a total of \$9,700,000 available for this program, and formula grants to States are being supported at the same level, \$3,000,000, that they were last year.

#### CONTROL OF VENEREAL DISEASES

1965 appropriation.....	\$10,105,000
1966 budget estimate.....	10,392,000
House allowance.....	10,392,000
Committee recommendation.....	10,392,000

The committee approves the full budget estimate and House allowance, an increase of \$287,000 over the amount appropriated for 1965.

The 1966 budget request contains \$6,229,000, the same amount as in 1965, for the continuation of the 1965 level of project grant support for State and local eradication programs. The personnel complement of these programs is expected to be at recommended strength over the entire year and the level of financial assistance required to maintain impetus of the eradication program will be that recommended by the Surgeon General's Task Force on Syphilis Control.

The increases include an additional \$100,000 to expand the syphilis teaching programs to an additional 10 teaching hospitals, and \$180,000 for syphilis research and services. Of the \$180,000, two positions and \$76,000 are for initiating the development phase of a 3-year program to perfect spectrophotometric methods for reading results in serologic tests for syphilis, and five positions and \$104,000 is for intensification of research on production of syphilis immunity in humans.

#### DENTAL SERVICES AND RESOURCES

1965 appropriation-----	\$7, 228, 000
1966 budget estimate-----	7, 903, 000
House allowance-----	7, 903, 000
Committee recommendation-----	8, 383, 000

The committee approves \$8,383,000, an increase of \$480,000 over the budget estimate and House allowance, and \$1,155,000 more than the 1965 appropriation.

The recommended funds provide increases over the 1965 appropriation of \$160,000 for research grants, \$150,000 for research training grants, \$130,000 for dental auxiliary utilization grants, \$113,000 for expansion of programs at the Dental Health Center, and \$65,000 for expansion of research and development in dental technology.

The 1966 estimate continues the State formula grants at \$520,000, the amount added by the Senate last year to initiate the program, which was approved in conference. The committee has approved an increase of \$480,000 to make available a total of \$1 million for grants to States to continue State programs for clinical activities in treating the aged and handicapped; maintain school dental health programs; and disseminate existing research and technical knowledge to the practitioner.

#### NURSING SERVICES AND RESOURCES

1965 appropriation-----	\$21, 660, 000
1966 budget estimate-----	21, 075, 000
House allowance-----	21, 075, 000
Committee recommendation-----	18, 075, 000

The committee recommends \$18,075,000, a decrease of \$3,000,000 under the budget estimate and House allowance, and \$3,585,000 less than the amount appropriated in 1965.

The decrease of \$3,585,000 under the 1965 appropriation is only a decrease of \$364,000 on a comparative basis inasmuch as the student loan fund of \$3,221,000, previously financed in this appropriation item has been transferred to "Community health practice and research." Increases over 1965 include \$1,000,000 for nurse traineeships, \$1,000,000 for projects for improvement of nurse training, \$217,000 for research grants, \$142,000 to initiate communication of nursing health knowledge program, \$116,000 for research training grants, \$63,000 for improvement of nursing practices, and \$50,000 for fellowships.

For payment to diploma schools of nursing the authorization, budget request, and appropriation for 1965 was \$4,000,000. Of this amount only \$758,000 was obligated, and the remaining \$3,242,000 reverted to the Treasury. The estimate and House allowance for 1966 is \$4,000,000. In view of the 1965 experience in the operation of this

program with less than 20 percent of available funds being obligated, the committee believes that an allowance of \$1,000,000, an increase of \$242,000 over the funds used in 1965 is all that is justified, and it is therefore reducing the estimate by \$3,000,000.

#### HOSPITAL CONSTRUCTION ACTIVITIES

1965 appropriation-----	\$245, 907, 000
1966 budget estimate-----	303, 304, 000
House allowance-----	259, 089, 000
Committee recommendation-----	303, 304, 000

The committee recommends an appropriation of \$303,304,000, the budget estimate, and an increase of \$44,215,000 over the House allowance, and \$57,397,000 more than the 1965 appropriation, the latter increase resulting from the Hospital and Medical Facilities Amendments of 1964.

The 1966 budget request contemplated \$160 million for grants for construction of public or other nonprofit hospitals and public health centers and for grants for modernization of such facilities as authorized by section 601(b) of the act, as amended. But the Bureau of the Budget decided that the amendments of 1964 referred to above were improper with regard to the distribution of the \$160 million between hospital construction and modernization—the amendments provided that one-eighth of the appropriation for 1966 under section 601(b) would be available for modernization. The budget request of the Bureau of the Budget contained a legislative rider to set aside the provisions of the law and proposed three-eighths, or \$60 million, of the funds appropriation pursuant to section 601(b) for modernization, and \$100 million for new hospital construction. The House denied the Budget Bureau's request for legislative language, but allowed only the amount sought in the budget request for new hospital construction, \$100 million, and \$14,285,000 for modernization, one-eighth of the total. The committee has allowed the full budget estimate under section 601(b) according to the basic law, of which \$140 million is stipulated for hospital construction and \$20 million for modernization.

The committee allowance provides for \$100,000,000 under section 601(a) for the construction of long-term care facilities, diagnostic or treatment centers, and rehabilitation facilities; for \$160 million under section 601(b) for construction and modernization of hospitals and public health centers; \$22,500,000 for construction of facilities for the mentally retarded under the Mental Retardation Facilities Construction Act; \$5 million for special project planning grants; \$12,568,000 for hospital and medical facilities research; and \$3,236,000 for administrative expenses.

This recommendation proposes the full amounts authorized under the several statutes mentioned. The committee in its discussions felt there is an urgent need, in view of the enactment of the Social Security Amendments of 1965, for a restudy of the Hill-Burton program, looking toward the possibility of increasing the authorizations for general hospital construction and long-term-care facilities. The attention of the committees having jurisdiction in these matters is invited to this comment. The chairman of the Committee on Appropriations was asked to send a copy of the committee report to the President of the United States.

The committee has deleted the \$1,500,000 added by the House for the construction of a multiservice facility for the physically and mentally handicapped for which there is no authorization under this program.

The committee has also added the proviso contained in the budget request for a limitation on the Federal grants to two-thirds of the total cost of any experimental or demonstration construction or equipment project under section 624 of the act.

The committee will not expect the Public Health Service to limit the availability of funds for new hospital construction by the issuance of regulations the result of which would impose such limitations.

#### CONSTRUCTION OF HEALTH EDUCATIONAL FACILITIES

1965 appropriation-----	\$110,782,000
1966 budget estimate-----	90,599,000
House allowance-----	90,599,000
Committee recommendation-----	90,599,000

The committee recommends \$90,599,000, the same as the budget estimate and House allowance, and a decrease of \$20,183,000 under the amount appropriated in 1965.

This appropriation provides Federal funds on a project basis to assist in the construction of medical, dental, pharmaceutical, optometric, podiatric, osteopathic, and public health teaching facilities under the provisions of the Health Professions Educational Assistance Act, and the construction of schools of nursing under the provisions of the Nurse Training Act of 1964. These funds provide the basis for expanding the rehabilitating teaching facilities and make an important contribution toward increasing the number of physicians, dentists, nurses, and other health professions personnel.

The transfer of the student loan program for the health professions from this appropriation results in a reduction of \$10,286,000. There is also a decrease of \$25,000,000 in grants for construction of teaching facilities for medical, dental, and other health personnel inasmuch as the amounts appropriated for 1965 and approved for 1966 are the total amounts authorized by law. These decreases are offset in part by a \$15,000,000 increase for the initiation of grants for construction of teaching facilities for nurses. The \$15,000,000 increase will provide \$5,000,000 for grants to assist in the construction, expansion, replacement, and rehabilitation of facilities for collegiate schools of nursing, and \$10,000,000 for grants to assist in the construction, expansion, replacement, and rehabilitation of facilities for associate degree or diploma schools of nursing.

#### ENVIRONMENTAL HEALTH SCIENCES

1965 appropriation-----	\$9,380,000
1966 budget estimate-----	15,933,000
House allowance-----	15,933,000
Committee recommendation-----	15,983,000

The committee recommends \$15,983,000, an increase of \$50,000 over the House allowance and budget estimate, and \$6,603,000 more than the 1965 appropriation.

This appropriation finances intramural and extramural research and training activities which are basic to all environmental health programs. These activities coupled with those financed by the cate-

gorical appropriation items, make possible a unified approach to the study of the health of man in his total environment.

The principal items of increase over 1965 are \$3,141,000 for research grants, \$1,316,000 for training grants, and \$1,489,000 for expansion of pesticides activities, including community studies, pesticides intelligence system, registration, laboratory research, and provision of staff assistance to the Federal Committee on Pest Control.

An additional \$50,000 above the request of \$864,000 for the Arctic Health Research Center in Alaska is allowed for the employment of a physiologist, together with needed laboratory and secretarial support at the Center.

#### AIR POLLUTION

1965 appropriation-----	\$20,995,000
1966 budget estimate-----	24,403,000
House allowance-----	26,037,000
Committee recommendation-----	26,037,000

The committee recommends approval of the House allowance of \$26,037,000, an increase of \$1,634,000 over the budget estimate and \$5,042,000 over the 1965 appropriation.

The appropriation funds activities related to the investigation of causes of air pollution, the determination of the effects of air pollution upon life and property, and the development of effective means of prevention and control of air pollution, and the development of air pollution criteria.

The recommended \$1,634,000 increase over the budget estimate, provides an additional \$659,000 for research grants, and \$975,000 for survey and demonstration grants.

In 1965, 201 applications for research grants totaling \$9,204,578 were received, 162 were approved for \$5,479,000, of which 138 were funded at a cost of \$4,606,000, leaving 24 and \$873,000 unfunded. The \$659,000 increase will provide for 25 additional new projects, thus supporting 40 wholly new grants, the same number estimated for 1965. It will also allow a 1966 research grant program at a level of \$5,339,000, and support a total of 163 projects.

The increase of \$975,000 for survey and demonstration grants is the amount submitted in the 1965 supplemental request for demonstration projects for control of mine waste fires in connection with the Appalachian regional development program. This request was denied because the act authorizing that program did not authorize this activity. It is, however, clearly authorized under the Clean Air Act, and it was indicated during consideration of the supplemental request, that the item would be considered in connection with the regular appropriation bill.

#### ENVIRONMENTAL ENGINEERING AND SANITATION

1965 appropriation-----	\$9,170,000
1966 budget estimate-----	9,293,000
House allowance-----	9,842,000
Committee recommendation-----	9,842,000

The committee concurs in the House allowance of \$9,842,000 an increase of \$549,000 over the budget estimate and \$672,000 more than the 1965 appropriation.

This appropriation item is concerned with improving public health protection through research and technical assistance to States, municipalities, and industry to help them in coping with environmental health problems. Efforts are directed toward assuring that only safe water, milk, shellfish, and food supplies are served to the public and to the 2 million travelers carried each day on interstate conveyances.

The approved increase of \$549,000 will provide \$299,000 in additional funds for research grants, and \$250,000 for expansion of activities concerned with the public health aspects of safeguarding drinking water supplies.

In 1965, 342 applications for research grants totaling \$11,294,000 were received, 269 were approved for \$5,746,000, of which 232 were funded at a cost of \$4,907,000, leaving 37 and \$839,000 unfunded. The \$299,000 increase over the budget request will provide for 15 additional new projects, thus supporting 37 wholly new grants, the same number estimated for 1965. The additional funds will permit a 1966 total research grant program at a level of \$4,799,000 and support a total of 224 projects.

The committee believes that the environmental engineering and sanitation activities of the Service should include a special program of research and investigations relating specifically to the protection of drinking water supplies. The additional \$250,000 provided for this purpose will permit a beginning program in this field, but the committee will expect the Service to develop recommendations for further strengthening of this program in subsequent years.

#### OCCUPATIONAL HEALTH

1965 appropriation-----	\$5,194,000
1966 budget estimate-----	5,584,000
House allowance-----	5,724,000
Committee recommendation-----	5,990,000

The committee approves \$5,990,000, an increase of \$266,000 over the House allowance, \$406,000 over the budget estimate, and \$796,000 more than the amount appropriated in 1965.

Funds appropriated under this title are used for research grants to universities, hospitals, research institutes, State and local health departments and other public and private nonprofit institutions, and to individuals for research studies of the health hazards and diseases resulting from the work environment. Research is also conducted on occupational hazards and diseases, and assistance is provided to Federal, State, local agencies, and to industry in preventing and controlling occupational hazards and diseases.

The committee agrees with the House in allowing an increase of \$140,000 over the budget request to provide for four additional new research projects, thereby supporting eight wholly new grants, the same number as last year. The approved funds will support a 1966 total research grant program of 76 projects at a level of \$2,705,000.

The budget estimate included a request for \$132,000 to provide for the expansion of clinical research directed toward control and alleviation of coal miners pneumoconiosis and associated respiratory diseases. No additional positions were requested. The committee recommended an appropriation of \$398,000, an increase of \$266,000, and 25 new positions for this activity.

## RADIOLOGICAL HEALTH

1965 appropriation.....	\$19,720,000
1966 budget estimate.....	20,818,000
House allowance.....	21,044,000
Committee recommendation.....	21,044,000

The committee recommends the House allowance of \$21,044,000, an increase of \$226,000 over the budget estimate and \$1,324,000 over the amount appropriated in 1965.

The Public Health Service conducts a national program for the prevention and control of radiological hazards to public health. The Service assesses the levels and effects of radiation exposure and, in cooperation with other agencies at Federal, State, and local levels, conducts programs to minimize such dangers.

The approved increase will provide for support of the same level of new research grants in 1966 as are being supported in 1965. In 1965, 188 applications totaling \$4,525,000 were received, 125 were approved for \$2,997,000, of which 95 were funded at a cost of \$2,122,000 leaving 30 and \$875,000 unfunded. The additional \$226,000 will provide for 8 more new projects, thus supporting 20 wholly new grants, the same number financed for 1965, and it will fund the 1966 total research grant program at a level of \$2,546,000 and support a total of 104 projects.

Of the budgeted increases \$285,000 is for the rental costs of a new facility on the campus of the University of Nevada at Las Vegas, and \$584,000 is for equipment costs necessary to operate this new facility.

## WATER SUPPLY AND WATER POLLUTION CONTROL

1965 appropriation.....	\$35,126,000
1966 budget estimate.....	40,601,000
House allowance.....	44,514,000
Committee recommendation.....	44,514,000

The committee concurs in the House allowance of \$44,514,000, an increase of \$3,913,000 over the budget estimate and \$9,388,000 over the amount appropriated in 1965.

Increases over the budget request are directed toward four specific areas: (1) research grants \$813,000; (2) demonstration grants, \$1,000,000; (3) Appalachian acid mine drainage activity, \$1,800,000; and (4) staffing water pollution control laboratories, \$300,000.

In 1965, 386 applications for research grants totaling \$9,650,000 were received, 259 were approved for \$5,777,000 of which 230 were funded at a cost of \$5,139,000, leaving 29 and \$638,000 unfunded. The \$813,000 increase will provide for 33 additional projects thus supporting a total of 74 wholly new grants for 1966, the same number as was supported in 1965. The additional funds plus the \$5,232,000 requested will permit a 1966 research grant program at a level of \$6,045,000 and will support 248 projects.

The 1966 estimate provided for continuation of 25 demonstration grant projects, but did not provide any funds for new grants. The \$1,000,000 increase will permit awarding 18 new projects.

An increase of \$1,800,000 and 12 positions will help accelerate an acid mine drainage pollution control demonstration program in the Appalachian region. These funds were requested in the 1965 supplemental in connection with the Appalachian regional development pro-

gram, but disallowed because they are not authorized for that program. They are, however, clearly authorized by the Water Pollution Control Act, and are being allowed in the regular appropriation bill.

The \$300,000 increase for staffing water pollution control laboratories will provide 84 positions and for about 75 percent staff of the total planned complement by June 30, 1966, or 110 for each of the 3 water-pollution control laboratories. These laboratories, currently under construction, are located at Athens, Ga.; Ada, Okla.; and Corvallis, Oreg.

Major budget increases contained in the estimates and approved are: \$1,871,000 for expenses in establishment of programs in the new field laboratories and national water quality standards laboratories; \$1,345,000 for expansion of five existing comprehensive basin projects and two new starts; and \$1,551,000 for demonstration of control and abatement of water pollution from acid mine drainage.

#### GRANTS FOR WASTE TREATMENT WORKS CONSTRUCTION

1965 appropriation-----	\$90,000,000
1966 budget estimate-----	100,000,000
House allowance-----	100,000,000
Committee recommendation-----	91,000,000

The committee allows \$91,000,000, a decrease of \$9,000,000 under the budget estimate and House allowance, and an increase of \$1,000,000 over the amount appropriated in 1965.

For fiscal year 1964 and 1965 an amount of \$90,000,000 was appropriated, with the allotment being made on the basis of \$100,000,000, the full authorization, so each State would have the opportunity to obtain its share of the total authorization.

This has worked out satisfactorily as evidenced by the \$710,000 unobligated balance from the 1964 appropriation, which remained available through December 31, 1964. The Public Health Service has advised the committee that perhaps the States might need \$91,000,000 for 1966, \$1,000,000 more than was appropriated in each of the last 2 years. The committee is, in view of this information, reducing the budget request and House allowance by \$9,000,000, and recommending \$91,000,000, to be allotted on the basis of \$100,000,000, and to remain available through December 31, 1966, under similar provisions contained in the appropriation acts for 1964 and 1965.

The 1961 amendments to the Federal Water Pollution Control Act, Public Law 87-88, authorized an annual level of Federal grant money of \$90,000,000 for 1963, and \$100,000,000 for the years 1964-67.

#### HOSPITALS AND MEDICAL CARE

1965 appropriation-----	\$55,064,000
1966 budget estimate-----	56,846,000
House allowance-----	57,710,000
Committee recommendation-----	58,710,000

The committee approves an appropriation of \$58,710,000, an increase of \$1 million over the House allowance, and \$1,864,000 over the budget estimate, and \$3,646,000 over the 1965 appropriation.

In January of this year the Department announced a plan for the future of the Public Health Service hospital system which involved



the closure of seven of the general hospitals whose primary beneficiaries are merchant seamen. This committee, along with many other committees of Congress, did not find the arguments supporting these closures very convincing. The closures depend upon extensive use of Veterans' Administration hospitals, an arrangement which would benefit neither veterans nor seamen.

The extensive criticism which greeted the announcement of the Department's plan culminated in an opinion of the Comptroller General which held that seamen could be accorded no special priority at VA hospitals. As a result of this ruling the Department, on July 6, reversed its position with regard to three of the hospitals that were scheduled for closure, and announced that the Savannah and Detroit hospitals will be the subject of further evaluation.

The closure of two hospitals is now, unfortunately, an accomplished fact. The committee has included language in the bill which will effectively prevent the Department from closing any more hospitals without the prior approval of Congress. While this language is meant to prohibit the preparation of plans for closures as well as the closures themselves, it is not meant to prevent the Department from making further studies of the hospitals at Savannah and Detroit as to the most efficient methods of providing care for beneficiaries in those areas, determining the extent of need for modernization and expansion of facilities, and reporting the results of these studies to the Congress.

The Bureau of the Budget has attempted for a decade to close the Public Health Service hospitals, one or all. In consequence the Budget Bureau has not permitted the Service to submit to the Congress a budget estimate for the timely replacement of obsolete equipment. The budget request contemplated \$825,000 for equipment replacement for the general hospitals; the backlog at the start of fiscal year 1966 is \$2,461,440; the replacement needs accumulating during the year are estimated at \$396,676; the replacement equipment to be purchased during the year totals \$825,000; resulting in a predicted backlog at the close of fiscal year 1966 of \$2,033,116.

The committee feels that immediate attention should be given to the replacement of obsolete and wornout equipment, and accordingly has added \$1,000,000 which with the \$864,000 added by the House for the continued operation of the hospitals at Memphis and Chicago but which were closed by the Department notwithstanding the direction from the House Committee on Appropriations, will make available \$1,864,000 for equipment replacement during the fiscal year. The Department will be expected to include in its budget request for fiscal year 1967 sufficient funds to complete the equipment replacement program for the entire hospital complex.

#### FOREIGN QUARANTINE ACTIVITIES

1965 appropriation-----	\$7, 009, 000
1966 budget estimate-----	7, 311, 000
House allowance-----	7, 311, 000
Committee recommendation-----	7, 311, 000

The committee allows \$7,311,000, the same as the budget estimate and House bill, and an increase of \$302,000 over the 1965 appropriation.

This appropriation provides funds for the examination of aliens and visa applicants in order to exclude those who are physically or

mentally defective, and to prevent issuance of visas to persons medically excludable from the United States. Other inspections are made to prevent the introduction into the United States of quarantinable and other communicable diseases.

Increases include \$281,500 for an expanded contract program for medical examination of visa applicants, and \$24,000 for mandatory increases for current personnel on duty and reimbursement to the State Department for administrative support costs.

#### NATIONAL INSTITUTES OF HEALTH

The importance of medical research is a subject on which virtually every American can agree. The activities supported by the appropriations for the National Institutes of Health have a direct personal meaning for every individual and hold out a hope to which no person can be indifferent. The record is crowded with an ever-growing list of instances in which this hope has been rewarded through the discovery of a new drug, the development of a new vaccine, the perfection of a new surgical or diagnostic technique, the application of a new treatment, or the implementation of a new preventive measure. There are millions of Americans who are alive today because they escaped or were successfully treated for a serious illness which would have left them crippled or dead just a score or so years ago. The debt which each living American owes to medical research can never be computed; it is a debt of which he himself is usually—and happily—unaware.

Unfortunately, there must also be many Americans whose hope remains unrewarded, who look forward eagerly—and sometimes desperately—for a cure that does not yet exist. The human body is such complex organism and the ills to which it can fall prey are so varied that all the accumulated achievements of modern medicine sometimes seem hopelessly inadequate for the vast humanitarian task that lies before it. For every disease which can be prevented there is another whose cause remains a mystery; for every disease that can be cured there is another before which the physician stands all but powerless; for every disease which is conquered—such as polio or Rocky Mountain spotted fever—there is another which springs suddenly into prominence as acripper or killer, such as emphysema.

Pride in the vigor, scope, and achievements of American medical research is well justified; it is a field in which the United States is now the acknowledged world leader. But those who know best how much has already been accomplished are also those who are most keenly aware of how much remains to be done. They find little cause for satisfaction in the fact that there is no cure for such prevalent diseases as diabetes and arthritis; that a single epidemic of so "childish" a disease as German measles can lead to the birth of 20,000 defective babies; that the success of a new treatment for leukemia is measured in additional months of survival; or that a 10-percent decrease in the number of patients in mental hospitals is matched by a 100-percent increase in the number of outpatients of psychiatric clinics. When viewed against the size of the task to be done—and against the toll of misery caused by disease and premature death—the scale of our national medical research efforts seems modest indeed.

The budget estimates submitted on behalf of the National Institutes of Health also seem modest. The committee was again disappointed that so little provision was made for areas which are ripe for major development, such as the refinement and perfection of an artificial kidney; for the solution of major new health problems, such as the suspected cancer-causing effects of viral vaccines; for invigorating research on such widespread disabilities as blindness; for pressing forward toward the solution of outstanding problems in such promising new techniques as organ transplantation; and for strengthening the important training programs on which the vigor of future medical research depends.

The committee has looked very carefully into the program deficiencies of the budget and has recommended increases for the National Institutes of Health totaling \$30,300,000. These increases fall very far short of meeting the needs which the committee has identified on the basis of its extensive hearings of both official witnesses and eminent scientists and physicians. No attempt has been made to provide on an across-the-board basis, for the almost \$40,000,000 worth of approved research grant, training grant, and fellowships which could not be funded in fiscal year 1965. The committee's approach has, in fact, been highly selective. The 21 separate increases recommended are each intended to meet a specific need which is described in detail in the sections of this report dealing with the individual appropriations for the Institutes. A number of increases for which an urgent need was clearly demonstrated and which some of the committee members would like to have included have been deferred in the interest of submitting a report which all members of the committee can support.

During its consideration of this bill, the committee was aware that a supplemental appropriation bill making special provision for carrying out certain recommendations of the President's Commission on Heart Disease, Cancer, and Stroke was pending in the House. The committee therefore refrained from including any increase in the present bill for programs which already fall within the activities covered by the proposed supplemental appropriation. For example, the committee heard convincing testimony concerning the need for broadening and accelerating research on stroke and would certainly have included a substantial increase for this purpose in the present bill if it had not felt that this action might better be deferred until the heart disease, cancer, and stroke proposals are considered. On the other hand, the increase of \$5,000,000 for cancer research included in the appropriation for the National Cancer Institute is for certain specific purposes which do not appear to conflict with the cancer activities included in the heart disease, cancer, and stroke program.

The committee was informed that a serious shortage exists in the funds available for the operation of the Clinical Center at Bethesda and for the activities of the Division of Research Services which provides technical and housekeeping services for the NIH intramural research programs. The Clinical Center needs additional funds to meet the increased demand for continuous nursing care, to maintain its leukemia outpatient service, to purchase additional blood bank equipment to meet the rising demand for blood, to purchase a new

and greatly improved lung ventilating machine for use after anesthesia, and to meet the increased demand for laboratory tests. The major needs of the Division of Research Services are for the expanding services provided by its Laboratory Aids Branch, for additional skilled engineering staff for its Biomedical Engineering Section, for grounds maintenance at Bethesda and at the Poolesville animal farm—the extensive construction program now in progress is greatly complicating the grounds maintenance problem—and for second-shift operation of the incinerator. The total cost of these items is about \$775,000.

The activities of the Clinical Center and the Division of Research Services are financed from the NIH management fund for which no appropriation is made but to which each of the Institutes contributes on a formula basis. The committee was informed that some of the increased costs could, if necessary, be deferred and that some could be met by curtailing other services or postponing purchases, but that an additional \$400,000 in the management fund is required if the standard of services is to be maintained at anything near its present level. The committee agrees that the additional funds are necessary but it feels that all of the proposed expenditures are reasonable charges against the Institutes for whose benefit the Clinical Center and the Division of Research Services exist. All the central services provided through the management fund are the joint responsibility of the Institutes and the committee sees no reason why the Institute contributions to the management fund should not at all times be sufficient to take care of their common needs. The committee therefore directs that the Institutes be assessed whatever amounts are necessary to keep the management fund at an adequate level. The committee has not attempted to provide increases in the appropriation of each Institute to compensate for the higher contributions to the management fund. The additional contribution will, at the most, average about \$85,000. The unexpended balances of each Institute at the end of the fiscal year are always considerably more than this amount and the committee therefore suggests that the increased contribution to the management fund be taken from whatever budget activities each Institute prefers. In this way it should be possible to meet the needs of the management fund without curtailing any activities of the Institutes.

#### RESEARCH CAREER AWARDS

During the course of hearings, the committee heard testimony on the value of the research career award program which NIH established in 1961 but for which new awards were discontinued at the end of 1964. The committee has a deep interest in this program which grew directly out of the report on "Federal Support of Medical Research" which a distinguished group of consultants, under the chairmanship of Mr. Boisfeuillet Jones, prepared at the committee's request. The committee is aware that NIH has experienced some difficulties with the guidelines established for making these awards but it is not aware that the gap in the available mechanisms for the support of senior investigators, which these awards were intended to fill, has disappeared or has otherwise been bridged. On the contrary, the committee was informed that the termination of this

program caused considerable consternation and that its reestablishment is urgently desired by the research community.

While it has no wish to prejudge the question on the basis of only limited testimony, the committee is inclined to think that the program should be revived. The need for permanent full-time research positions for established investigators of high competence is probably greater today than it was 4 years ago and a program designed to enable institutions to create such positions is as relevant to the mission of NIH now as it was then. The committee therefore requests that NIH develop a plan for reinstituting these awards with whatever guidelines seem necessary to resolve the difficulties which the earlier version of the program encountered. This plan should be submitted well before next year's appropriation hearings so that the committee may have time to give it serious consideration and seek such advice as it may desire before the hearings commence.

In developing this plan it would be well if NIH could abandon the practice of referring to the research career award and the companion research career development awards as "K-6" and "K-3" awards. These cryptic designations, presumably reflecting some internal code system for data processing, have appeared not only in official documents but in public announcements about these awards. Such bureaucratic gibberish is not only unintelligible and confusing to those not involved in NIH internal bookkeeping but it is a most undignified way of referring to two awards which stand at the pinnacle of the NIH research support structure, have during their short existence already acquired considerable prestige, and are now held by men of outstanding attainments or recognized potential. The ridiculous habit of referring to these men by code designations makes them sound more like secret agents than serious scientists.

#### WOOLDRIDGE COMMITTEE REPORT

In view of its deep concern with health research and its responsibility for the NIH appropriations, the committee was much interested in the study of the effectiveness and quality of the NIH activities conducted, at the President's request, by the Wooldridge Committee. This group of 13 distinguished scientists, industrialists, and educators—assisted by almost a hundred experts in various fields of science and administration who served on a dozen special panels set up by the committee—spent almost a year in a most painstaking review of the NIH programs and their impact on educational and research institutions throughout the country. The principal conclusion reached by this exhaustive study was stated in the first sentence on page 1 of the Wooldridge Committee's report to the President:

The first and probably the most important general conclusion of the study is that the activities of the National Institutes of Health are essentially sound and that its budget of approximately \$1,000,000,000 a year is, on the whole, being spent wisely and well in the public interest.

Although the Wooldridge Committee, in keeping with the nature of the task assigned to it, devoted most of its report to aspects of the NIH program which they thought could be improved or about whose activities there were some reservations, its report is sprinkled with

praise for NIH and its management. The committee found that "NIH-supported work \* \* \* set the national or international standard of excellence in its field"; that "there is good evidence that the average quality [of work supported] is steadily improving"; that "the NIH method of selecting recipients of its extramural grants \* \* \* is an exceedingly good one"; that "the NIH activities of recent years have greatly improved the quality and quantity of both research and teaching in our biomedical institutions"; and that "because of its high quality, the existing NIH intramural establishment must be considered to be an asset that should be protected."

The Wooldridge Committee's economic appraisal of the NIH programs was no less commendatory. They did not hedge their conclusion that the NIH budget "constitutes a sound investment for the American people" and they expressed the view that "there are few, if any, \$1,000,000,000 segments of the Federal budget that are buying more valuable services for the American people than that administered by the National Institutes of Health." The committee did not comment directly on the future budget levels for NIH but its report noted that "greater expenditures for health are yielding greater progress in the alleviation of disease" and that as new opportunities for health research arise "these too should be exploited with the enthusiasm and vigor which has distinguished the NIH programs during the past decade."

The justifications for the appropriations in this bill for each of the Institutes outline some of the new opportunities for health research that now exist. The committee has recommended the increases that are necessary to insure that these opportunities can be vigorously exploited.

#### GENERAL RESEARCH AND SERVICES

1965 appropriation.....	\$164,190,000
1966 budget estimate.....	58,719,000
House allowance.....	59,969,000
Committee recommendation.....	60,469,000

The committee recommends a total appropriation of \$60,469,000, an increase of \$500,000 over the House allowance, and \$1,750,000 over the budget estimate. The 1965 appropriation for these activities included funds for the National Institute of General Medical Sciences for which a separate estimate is submitted in the 1966 budget request. The comparable 1965 appropriation for the activities now included under "General research and services," was \$50,988,000; the committee recommendation, therefore, provides an increase of \$9,481,000 over the amount available for 1965.

This appropriation supports three separate NIH organizational and program areas: The Division of Research Facilities and Resources; the Division of Computer Research and Technology; and the Office of International Research. To meet a special urgent need, the committee has also included in this appropriation funds to expand the program planning and analysis activities of the Office of the Director, National Institutes of Health. To have included these funds in the management fund would have entailed making additions to each of the separate Institute appropriations from which the management fund is drawn.

The Division of Research Facilities and Resources, the major organizational component supported by this appropriation, is responsible for five important resource programs which play a significant role in enhancing the research capability of this country in the biomedical sciences. Three of these programs are supported by funds appropriated directly to this Division; the fourth program, general research support grants, is administered by the Division but is supported from the funds appropriated to the several institutes; and the fifth program, health research facilities construction, has its own appropriation.

The three programs supported by funds in this appropriation are the general clinical research centers program, the special research resources program (for computer and biomedical engineering resources), and the primate centers program. The bill provides \$51,254,000, the amount requested and an increase of \$7,115,000 over the 1965 program level for these activities.

The general clinical research center program supports 80 centers with a collective total of almost 1,000 research beds. As of January 1, 1965, 68 of the centers were fully operational and were conducting an average of over 20 research projects each. These centers are a valuable resource for the acquisition of new basic clinical knowledge and for the development of new clinical techniques for the diagnosis and treatment of disease. The amount of \$28,500,000, an increase of \$1,585,000 over the 1965 program level, for this activity will provide continued support for the existing centers and allow for some increase in their costs of operation.

The special research resource program makes available large-scale and complex equipment to broad groups of biomedical investigators. The program is designed to make possible full-time use of costly equipment and to make it available to scientists in institutions where the provision of separate equipment would not be economically justifiable. As of December 1, 1964, this program supported 59 centralized resource centers including 32 computer centers. The diversity of research projects underway in the computer centers is impressive and is making possible health research that could not otherwise be pursued. Typical of the other special resource centers receiving support are a toxicology and biochemical pharmacology center and a biomedical engineering center where engineering techniques are applied to the complex problems of biology and medicine by combining the talents of engineers with those of biologists and physicians. The appropriation includes \$12,150,000 for the continued support of centers already established and the development of 18 new centers.

The primate centers program provides support for six regional and one national center all of which, including the three now housed in temporary quarters, have research programs in full operation. An example of the type of work being done at these centers is the research on viral hepatitis at the Delta Regional Primate Research Center at Tulane University, New Orleans, where scientists have for the first time successfully infected patas monkeys with human infectious hepatitis virus, thus providing a new approach to the study of a disease of which there are 70,000 to 80,000 cases a year in this country. The appropriation includes \$7,000,000, the same amount as in 1965, for the operational and core research costs of these centers.

The Division of Computer Research and Technology was established during the past year to provide modern computer facilities for the NIH scientists and to enable them to undertake much needed research in the application of advanced mathematics and computer theory to biomedical research problems and in the automation of certain routine laboratory and clinical procedures. This is an important new development in the evolution of the NIH research programs which should be fully supported. The committee endorses the action of the House in adding \$1,250,000 to the inadequate budget request for this Division. The bill, as amended by the House, includes \$2,717,000 for the new Division.

The Office of International Research has a dual role. It coordinates the policies of the categorical Institutes for the support of overseas research activities, and it is responsible for the international centers for medical research and training program, the international research career development program, the international fellowships post-doctoral program, and its complementary program of grants to returned international fellows, and the special foreign currency program.

The committee shares the fears expressed by the House committee that these worthwhile programs may be endangered by the arbitrary ceiling imposed on them in an effort to mitigate the balance-of-payments problem. While the ceiling can do little to solve the gold-flow problem, it will do much to restrict this program and hamper international collaboration on medical research which it has done so much to stimulate.

The committee is pleased with the progress which has been made in the international centers program and encourages its gradual expansion. Each of the components of the NIH international program is serving a very useful and unique purpose. They should be expanded rather than restricted.

The overseas offices of the Office of International Research provide valuable liaison with foreign scientific communities and perform a useful scientific intelligence function. The committee was impressed by the quality of the reporting and feels that these offices should be commended.

The special foreign currency program, for which separate provision is made in the bill, continues to make a sound contribution to the advancement of medical research and is clearly in the interest of the American people. The committee urges the National Institutes of Health to continue its intensive efforts to seek opportunities in countries where local funds are available. A modest investment of dollars for the purchase of equipment in the United States under Public Law 480 agreements could also accelerate the program.

A special addition of \$500,000 in the "General research and services" appropriation is provided for strengthening and expanding the program planning and analytical activities of the Office of the Director. The report of the Wooldridge Committee, already noted, emphasized the need to strengthen the planning capability of NIH. This recommendation is amply justified by the determining effect which NIH policies and programs have on the entire biomedical research community. NIH now supports the research of more than 50,000 scientists working in hundreds of institutions in every State of the Union and on every continent of the world; it finances the construction of millions of square feet of research space; and it gives stipends to



nearly 25,000 persons receiving graduate and postdoctoral training. NIH provides more than 40 percent of Federal support for R. & D. in universities, more than 60 percent of total national expenditures for medical research, more than 75 percent of all research funds in medical schools. An activity of such scope and importance clearly requires a strong management team but the fact is that the staff available to the Director of NIH for policy planning is but little larger now than it was when the total NIH budget was only a fifth its present size.

The committee understands that a budget request to implement the Wooldridge Committee's recommendations will be included in the estimates for fiscal year 1967. The committee feels, however, that the matter is of sufficient importance that action should not be delayed a full year merely because the Wooldridge Committee's report was not released until after the 1966 budget had been prepared. The committee has therefore included a special appropriation of \$500,000, half the amount recommended by the Wooldridge Committee, which will permit the creation of 25 additional positions, including professionals and supporting staff, in the Office of the Director.

#### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

1965 appropriation-----	None
1966 budget estimate-----	\$122, 338, 000
House allowance-----	122, 338, 000
Committee recommendation-----	124, 838, 000

The committee recommends an appropriation of \$124,838,000, an increase of \$2,500,000 over the 1966 budget estimate and the House allowance. In 1965 funds for this new Institute were included in the "General research and services" appropriation. The amount available to the Institute for 1965 was \$114,149,000; the committee recommendation provides an increase of \$10,689,000 over that amount.

The National Institute of General Medical Sciences directs its entire effort to the support of research and training in noncategorical fields. These fields include disciplines important to medical research, and, indeed, to medical service, which do not fall within the specific mission of any one of the other Institutes—such as anesthesiology, immunology, and the development of new surgical techniques—and basic sciences which are fundamental to a broad range of disease-oriented research—such as biochemistry, biophysics, bioengineering, etc. Research projects supported by this Institute, which does not have an intramural research program, have made many notable contributions not only to the advancement of the basic biomedical sciences but to preventive, diagnostic, and therapeutic techniques.

As NIGMS is the only Institute which does not have an intramural research program, NIH should consider whether it would be appropriate to establish such a program within this Institute. The committee is aware that extra laboratory space will not be available at Bethesda until a substantial portion of the present building program is completed and does not suggest that space be taken from the ongoing programs of the other Institutes. However, a decision on establishing an intramural research program in the basic sciences should be taken before whatever uncommitted space may later become available is assigned. The committee therefore requests that NIH now consider the feasibility and desirability of broadening the

activities of NIGMS and to make appropriate recommendations to the committee.

The work being done in molecular and cell biology, under NIGMS grants, is particularly outstanding. This is one of the most rapidly advancing frontiers in medical research and expanding knowledge in this basic field will have major impact on the understanding, and therefore the solution, of many disease problems. Much of the most significant work being done today is on fundamental problems and will only be reflected in clinical practice in years to come, but a great many immediately applicable results are also emerging. For example, the recent discovery, by scientists supported by the Institute, of an enzyme which is essential for the reproduction of an infective bacterial virus and which can be extracted and studied outside the host, has not only opened the way for the identification of chemical inhibitors for certain types of viral infections but has already resulted in the development of two such drugs.

Among the research activities, supported by the Institute, of which the committee heard interesting reports from expert public witnesses were work on the development of ultrasonic techniques for more accurate diagnosis of abnormalities of the lungs, the liver, kidneys, gall-bladder, and the spleen; the development of an optical-electronic device for automatically detecting cancer cells in uterine cervix smears, which now requires the services of highly trained—and scarce—laboratory technicians; the discovery of substances in the thymus gland which affect the growth of cancer cells and which may also be related to the aging process; and advances in surgical anesthesia techniques which facilitate operations hitherto impeded by excessive bleeding.

The research projects supported by the Institute cover a wide range of problems. The results of this work range from the formulation of new hypotheses concerning fundamental biological phenomena to the discovery that armadillos are especially suitable laboratory animals for testing the effects of such drugs as thalidomide on human fetuses and the development of a treatment for severe burns, using silver nitrate and silicone solutions, which sharply reduce the death rate, accelerated healing, and minimized scarring and deformity.

Substantial progress is also being made in launching a coordinated, national research effort in pharmacology-toxicology which is being administered by NIGMS. Such research is urgently needed to determine the long-range effects of drugs, food additives, pesticides, and other chemicals to which people are constantly exposed. The competence of the industrial community is being brought to bear on these problems: several programs related to chemical intoxication will be pursued, under contract, by industrial laboratories. Because of the interest of many Federal agencies in pharmacology-toxicology problems, it is clearly important that adequate provision be made to coordinate these efforts. The committee was informed that responsibility for such coordination has been vested in the President's Office of Science and Technology, and that formal channels exist for the exchange of research and program information.

Professional manpower needs are acute in almost all of the fields with which the Institute is concerned; the need for increased numbers of well-trained young scientists continues to be pressing in all the basic science disciplines. The committee was gratified to learn that the

additional \$1.8 million which the Senate added last year for the training programs of this Institute enabled 300 young scientists to continue their studies who would not have been able to do so without the assistance thus provided.

The Institute has accumulated a substantial number of carefully screened, meritorious applications in all its programs—research grants, training grants, and fellowships—which cannot be funded under its present budget. While this is to some extent true of most of the other Institutes, it is particularly undesirable that the programs of this Institute, which cover such a wide range of activities, affect so broad a segment of the biomedical research community, and underlie so many of the NIH missions, should be unable to support a large number of projects important to the advancement of biomedical science and the treatment of disease.

Unfunded approved applications at the end of fiscal year 1965 amounted to \$7,643,000—this included 74 research projects totaling \$1,998,000; 40 training projects totaling \$2,000,000 and 640 fellowship applications totaling \$3,645,000. The increase allowed in the budgeted request for fiscal year 1966 is barely sufficient to cover this backlog of meritorious applications already on hand at the beginning of the year. The budget is clearly inadequate to provide for the continuation of projects now in progress and the normal and necessary growth of these valuable programs—and it makes no allowance whatever for the development of important new areas such as, for example, bioengineering. In order partly to offset these deficiencies, the committee recommends the appropriation of an additional \$2,500,000 for the Institute of which \$1,500,000 will be available for research grants, \$750,000 for training grants and \$250,000 for postdoctoral and special fellowships.

#### BIOLOGICS STANDARDS

1965 appropriation.....	\$4, 969, 000
1966 budget estimate.....	6, 406, 000
House allowance.....	6, 406, 000
Committee recommendation.....	7, 206, 000

The committee recommends a total appropriation of \$7,206,000, an increase of \$2,237,000 over the 1965 appropriation and an increase of \$800,000 over the 1966 budget estimate and the House allowance.

The Division of Biologics Standards, which is responsible for administering the biological control provisions of the Public Health Service Act, is now in its 10th year of operation. During this period it has not only rendered outstanding service to the American public in insuring the safety, purity, and potency of biologic products used in the prevention and treatment of disease but has won international recognition as an authority in the field of biologics.

One of the important control functions of the Division is the maintenance and development of standard reference preparations. As most biological products cannot be standardized by chemical or physical means, their potency must be tested in relation to that of stable and uniform reference preparations.

During the past year, the Division distributed 5,972 such preparations (383 antitoxins, 1,836 serums, 2,297 vaccines, 323 toxins, and 1,133 bacterial cultures) to commercial establishments, health departments, universities, and other research organizations. Not only is the demand

for these preparations steadily growing, but the Division is constantly at work to improve methods of preservation and storage so that potency can be longer maintained; to select or develop preparations which yield clear-cut end points in the control testing performed by the manufacturers; and, whenever possible, to correlate U.S. standards with the standards established in other countries or with international standards.

The Division also conducts an exacting research program for the continuous improvement of tests for the 291 biologic products already licensed for use and to establish standards of quality and safety for new products that are likely to develop in the future. Virologists on the Division's staff, for example, are now in process of developing testing procedures and safety and potency standards for an eventual rubella vaccine toward which two of the institutes and several pharmaceutical companies are now working.

The development of such procedures and standards involving extensive work with animals, including rhesus monkeys, is complex, time consuming, and costly, but it is vitally important and must be expanded so that the Division will always be adequately prepared for the demands made upon it when a new prototype vaccine is ready for extensive clinical testing.

A serious problem on which the Division is now engaged has resulted from the discovery that virus vaccines produced in mammalian or chick embryo cultures, as most virus vaccines are, may be contaminated with other viruses which may have a cancer-causing potential.

A number of viruses encountered in vaccine production, such as the virus of fowl leukosis, are known to have oncogenic (i.e., tumor-producing) properties. An oncogenic virus which is a contaminant of a vaccine can be eliminated by changing production techniques, and steps have been taken by the Division to insure that live virus vaccines produced in chick embryo tissue culture are free of this agent. In some cases, however, the vaccine virus itself has an oncogenic potential. This problem is infinitely more complex; it takes months of extensive studies, involving large numbers of animals, to demonstrate the effects. Although the significance of such findings in relation to human disease is not yet known, the risk cannot be taken lightly. The committee feels strongly that nothing must stand in the way of the fullest possible exploration of this problem and the earliest possible elimination of whatever threat to health may be found to exist. The committee has, therefore, restored to the appropriation for the Division \$800,000 of the \$1,000,000 reduction in funds for the study of the oncological effects of viral vaccines which was imposed by the Bureau of the Budget. The committee feels that the Budget Bureau should be severely reprimanded for attempting to force so injudicious an economy on an activity of such vital importance to the millions of Americans who look to virus vaccines to protect them from disease.

The committee is pleased to note that construction of the annex to the Division's present building is now going forward on schedule. Construction was authorized in 1962 when it became clear that the demands of the Division's testing programs and related research far exceeded its existing space. The annex will be completed by early 1967 and should greatly facilitate the work of the Division which is now considerably hampered by its inadequate facilities.

## NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

1965 appropriation-----	\$42, 696, 000
1966 budget estimate-----	53, 524, 000
House allowance-----	53, 524, 000
Committee recommendation-----	55, 024, 000

The committee recommends an appropriation of \$55,024,000—an increase of \$12,328,000 over the 1965 appropriation and an increase of \$1,500,000 over the 1966 budget estimate and the House allowance.

In many of the Institute's programs, advances have been reported which show promise of decreasing maldevelopment and increasing the quality of human life.

Several achievements related to prematurity, a major cause of neonatal deaths and disability including mental retardation, were particularly gratifying. For example, it was pointed out that the premature infant must receive enough oxygen to meet his needs and yet not enough to cause blindness, and that a miniature monitoring device is being developed which will tell exactly how much oxygen reaches the body tissues. In addition, the process by which heat is exchanged between a newborn infant and his surroundings is now better understood, so that the survival of small premature infants can be increased by providing radiant heat in the incubator.

The causes of premature birth remain for the most part unknown. The premature infant is particularly prone to serious respiratory difficulties, and is more likely to have brain damage, mental retardation, and other disorders. It is important that the Institute emphasize research which will eventuate in a drastic reduction in premature births, for it seems clear that the prevention of premature births alone would automatically reduce the incidence of many disorders and prevent untold infant deaths.

An Institute-supported scientist successfully produced in primates the metabolic disorder phenylketonuria (PKU), which results in mental retardation if untreated. This success means that scientists may be able to produce many forms of mental retardation in laboratory animals, opening the way to develop means for preventing these disorders in human beings.

On the subject of aging, it has been reported that increasing errors in the cells' replication mechanism may be a basic cause of aging. As these errors accumulate, the cells become increasingly vulnerable to metabolic failure.

Another particularly interesting study seeks to explain how older people, particularly women, lose their ability to avoid falls. This investigation of the physical and behavioral determinants of accidents should furnish the basis for practical advice to help decrease this source of serious injuries in the elderly.

The Institute has begun the development of a strong program of direct research, thus increasing its own competence to deal with the problems of child health and human development. A small direct research facility has been acquired in St. Petersburg, Fla., now used primarily by the Institute's aging program. An outpatient diagnostic and study unit for the Institute's mental retardation program is being developed in cooperation with the National Naval Medical Center in Bethesda.

The committee is pleased to see that funds for the direct research facility in Puerto Rico have been included by the House Appropriations Committee in the buildings and facilities appropriations for the Public Health Service. This facility, which is being developed with the National Institute of Neurological Diseases and Blindness, will provide an excellent place to study reproduction in primates.

The mental retardation research centers program made commendable progress during its second year of operation. In cooperation with the Division of Research Facilities and Resources, NICHD participated in an extensive review of the five grants awarded so far to aid in the construction of centers for research on mental retardation and related aspects of human development. The Institute is serving as an effective focal point for program consultations with all institutions interested in developing mental retardation research centers.

The committee has been advised of the status of research in several important programs in the Institute, and has noted some of the critical future needs in these areas.

The field of mental retardation is one of great diversity and complexity. In recent years considerable progress has been made in the understanding of the relationships between chromosomal defects and mental retardation. The successful dietary treatment of phenylketonuria demonstrated that mental retardation caused by an inherited metabolic defect can be prevented. There is a great need, though, to understand the social, economic, and cultural factors which contribute to mental retardation. Unlike chromosome abnormalities or metabolic errors, these factors result in mild retardation but account for a very high proportion of all mental retardation in this country.

Testimony before the committee suggests that one very fruitful area will be the relationship between nutrition and mental retardation. Malnutrition seems to cause not only retarded physical growth but retarded intellectual growth as well. Poor nutrition of pregnant women, moreover, may drastically affect their infants.

Very little is known about the basic biophysical nature of learning. Marked progress in this area could do much to improve the efficiency of formal education and the management of many social and psychological situations. The Institute should emphasize studies related to all aspects of human learning, in view of its importance to our Nation as a whole.

Increased attention should also be paid by this Institute to physical fitness. The scientific relationship between physical activity in everyday living and growth, development, and total health in humans is not at all clear. The modern environment, which requires progressively less physical effort, makes it imperative that this relationship be understood.

It is clear from the committee's review of the Institute's programs that there is a critical shortage of research personnel. This shortage is acute in the disciplines basic to growth and development, the health problems of children, and aging. In some areas, there are practically no persons with the proper cross-disciplinary education.

Equally crucial is the training of excellent scientists in sufficient numbers to study problems of social, cultural, and other factors affecting the family and individual. It is essential to increase manpower in the important fields of reproductive biology, embryology, and de-

developmental pharmacology. The ability of the Institute to develop successful research programs is very much dependent upon the excellence and quality of the training that can be encouraged and established to alleviate these shortages. Medical schools and graduate schools are ready and able to increase their production of scientists in these areas if adequate funding can be provided. For this reason an additional \$1.5 million for training is included over the amount requested.

## NATIONAL CANCER INSTITUTE

1965 appropriation.....	\$148, 970, 000
1966 budget estimate.....	149, 968, 000
House allowance.....	153, 618, 000
Committee recommendation.....	158, 618, 000

The committee recommends a total appropriation of \$158,618,000, an increase of \$9,648,000 over the 1965 appropriation, including \$10,000,000 appropriated for the special research program on the viral origin of leukemia, an increase of \$8,650,000 over the 1966 budget estimate and an increase of \$5,000,000 over the House allowance.

This Institute, the oldest of the nine Institutes of Health, is too often thought to be concerned with only a single disease though its efforts are actually directed against a whole host of diseases which go under the common name of cancer. Cancer at each site in body is a distinct disease, with its own etiology and prognosis, which presents its own distinct set of complex research problems. The task of the Institute is thus not only extraordinarily difficult but much broader in scope than is usually realized. Solutions to the intricate array of cancer problems are still a very long way off. The progress of the Institute toward its goals—identifying the causes of the various forms of cancer and developing effective diagnostic, preventive, and therapeutic techniques—cannot yet be measured in terms of solutions but there is steady progress in the search for cancer's causes and heartening improvements in the ability to diagnose and treat these diseases.

Among recent achievements are a new cell technique which will enable physicians to diagnose cancer of the bladder at an early and curable stage; the use of Laser radiation therapy, which is now being tested on animals to determine its safety and effectiveness before human trials are started; and the development of new kind of blood centrifuge for separating white cells from red cells and plasma which will make it possible to replace which cells, as well as platelets, in leukemic patients. New field studies on migratory populations are in progress to throw light on the role of environmental factors on the incidence of cancer. The Institute is also expanding its research effort to determine the potential carcinogenicity of pharmaceuticals, pesticides, food contaminants, and air and water pollutants. Cooperative research projects on chemical carcinogenesis have been set up with the Chicago Medical School and the Oak Ridge National Laboratory. Some environmental agents, such as animal tumor viruses, constitute a newly recognized cancer problem and the Institute is proceeding with research on the control and containment of such biohazards. The role of nucleic acids in the reaction of body cells of cancer-causing agents is also under study. Several new centers are being established in the field of cellular biology.

The new virus-leukemia program for which the Congress provided a special \$10 million appropriation last year moved along rapidly. A comprehensive overall scheme covering four major areas of research was developed by a special science-management team in the Institute. Specialists from the Institute staff, other Federal agencies, and non-Government institutions have been organized into eight working groups to develop detailed research plans for each of the four areas of study.

The plan at present envisions about 160 projects of which 70 were started during the fiscal year 1965 through the award of 53 contracts. These projects will be modified and other projects will be added in the light of research results as they emerge. In addition to intensive work on human leukemia, the projects include research on the nature of animal leukemias and their possible relationships to man, the hazards to those conducting virus-cancer research, and the problems of containing these hazards.

In connection with the investigation of the hazards of virus-cancer research, the Institute has let contracts for the construction on the NIH grounds of a temporary high-hazard containment laboratory and animal facility. The estimated cost of this project is \$2,200,000 of which \$1,675,000 reflects nonrecurring items in 1965 contracts. The committee was, however, disturbed to learn that the remaining \$525,000 will be made available by reducing the level of production of leukemia viruses, antisera, and other resource materials. The committee agrees with the Institute that the new building is essential to the safety of those working with possible cancer-producing viruses but it cannot agree that this need should be allowed to slow down progress in other aspects of the program.

The committee was also surprised to find that the 1966 budget estimates make no provision for the expansion of the viral-leukemia program. It was learned during the hearings that the expert work groups have identified a number of important areas in which epidemiologic, laboratory, clinical, research and development, and production efforts should be expanded but for which no funds are available. These activities fall into four categories:

- (1) Harvest potentially virus-rich materials from more human sources; provide additional trained personnel and requisite facilities for isolation, replication, and identification of viruses and other microbes; increase efforts to establish additional normal human cells in tissue culture which will support virus growth. The estimated cost is \$1,350,000.

- (2) Increase studies to establish physical, chemical, and biological characteristics of bovine virus-like particles and for the development of more sensitive disease indicator systems (animal and tissue); begin comparative studies between bovine virus and murine leukemia viruses. The estimated cost is \$400,000.

- (3) Improve methods of collection, storage, and distribution of human white blood cells and expand efforts to propagate large numbers of these cells in the laboratory; establish backup laboratories for 3 to 5 additional leukemia treatment centers; develop, produce and test new drugs effective against bacteria and fungi which usually infect patients undergoing chemotherapy; and



establish several additional pharmacologic evaluation laboratories. The estimated cost is \$1,750,000.

(4) Extend installation and use of high hazard equipment, procedures, and apparatus resulting from research and development work to selected major institutions and contractors heavily involved in virus-leukemia-cancer research supported by NCI; and provide necessary expert consultation. The estimated cost is \$1,500,000.

It is clear that the sooner these activities are undertaken, the sooner answers to some of the vitally important questions about the relationship of viruses to leukemia will be available. It is, for example, now possible to produce large numbers of human leukemia cells in tissue cultures. Viruses have been identified in 7 out of 9 human leukemia cell lines and it is suspected that these viruses are associated with the induction of the leukemia—a suspicion which some of the planned studies would seek to verify.

Another new program for which the committee believes provision should be made is the so-called “life island” method for treating leukemia patients.

A serious problem in treating leukemia patients is that the drugs that seem to be increasingly successful in combating acute leukemia also increase the susceptibility of the patients to infection with a variety of microbes, including some which rarely cause illness in otherwise healthy people. A significant number of those infections do not respond to treatment with antibiotics or other antibacterial drugs. Last year Institute scientists obtained dramatic results with the transfusions of white blood cells to cure a particularly virulent and previously fatal type of infection in a number of acute leukemia patients. It would, however, be a great deal safer if such infections could be prevented.

The “life island” method of isolating patients in an essentially germ-free environment greatly reduces the chance of infections while the patient is being given anticancer drugs. Because these drugs are toxic and because of the risk of infections while the patient’s immunity is lowered, drug dosage must be kept at low levels if treatment is given in normal hospital space. However, the “life island” technique makes it possible to increase drug dosage to a higher level so that their effectiveness in killing cancer cells is substantially increased. Moreover, early studies with the single “life island” now in use at the Clinical Center indicate that the “life island” environment changes the body’s sensitivity to the drugs so that a given dose is actually less toxic to the protected patient than to the patient exposed to room air.

The use of “life island” techniques has not yet been extended to children because of problems created when they are kept in complete isolation for protracted periods. The construction of experimental units designed to achieve the benefits of a relatively germ-free environment without complete isolation is, therefore, highly desirable. The use of laminar flow units—which sterilize the air flowing into the room thus making it unnecessary to confine the patient in the plastic enclosure used in the present “life island” units—offer a hopeful avenue for work with children.

“Life islands” are very costly to establish and to operate. The estimates increased cost of setting up five additional “life island” units in the Clinical Center is \$350,000. This includes the cost of modifica-

tion of the bedroom, isolated laboratory work, additional staff to provide 24-hour service, increased drugs, and special laboratory tests as well as advance preparation of the patient to enter the essentially germ-free environment. The committee feels strongly that the use of this promising technique should be extended beyond the single unit that now exists. The funds included in the appropriation for this purpose will also provide five additional positions, as core staff, during fiscal year 1966. It is recognized that further additional positions will be needed next year but it is expected that these can be financed principally from nonrecurring funds for equipment and renovating.

The committee also believes that it is highly desirable that the "life island" technique should be extended to a few other cancer research centers so that it may be more rapidly developed and to accelerate research into the effectiveness of a germ-free environment for the treatment of leukemia. It is understood that several hospitals with a heavy involvement in cancer research have expressed their willingness to undertake a "life island" project—despite the heavy burden which such a specialized unit throws on the staff and facilities of a hospital. The committee hopes that the National Cancer Institute will be able to negotiate and support one or two such projects. The estimated cost of setting up a new "life island" unit is estimated at \$300,000.

The committee was told that encouraging progress continues to be made against leukemia with more conventional methods of treatment. A registry of long-term leukemia survivors, established last year, shows that more than 100 patients are living 5 years or more after diagnosis of the disease. More of these were treated with one or more of six chemical agents now known to induce complete, though usually temporary, remissions of the disease. The Institute reports that by combining four of these agents, at nearly full dosage, it has induced remissions three times the length of those obtained by the conventional administration of the drugs in sequence. The Institute has also intensified its leukemia research, increased the number of children treated, maximized its use of research beds, and reduced its cost per patient, by maintaining children whose condition does not require bed care as outpatients. This procedure has the additional advantage that the emotional strain of the illness on the child (and its parents) is greatly relieved by its not being confined to a hospital atmosphere and by being, for much of the time, in the care of a parent or other intimately known adult.

The committee has included in the bill an increase of \$5,000,000 in the appropriation of the Institute to provide for the expansion of the virus-leukemia program, the additional cost of the high hazard containment laboratory, additional "life island" units in the Clinical Center and grants for "life island" units at one or two other research hospitals. The estimated costs of these activities total more than \$5,000,000 but the committee assumes that some of these estimates may prove to be a little high and expects that these activities can be satisfactorily conducted with the increase provided.

#### NATIONAL INSTITUTE OF MENTAL HEALTH

1965 appropriation.....	\$188, 273, 000
1966 budget estimate.....	208, 969, 000
House allowance.....	208, 969, 000
Committee recommendation.....	215, 969, 000

The committee recommends an appropriation of \$215,969,000, an increase of \$27,696,000 over the 1965 appropriation and an increase of \$7,000,000 over the 1966 budget estimate and the House allowance.

The progress made in the treatment of the mentally ill is reflected in the continuing decline in the number of patients hospitalized in State and county mental institutions. In 1964, the decrease was the largest in history—close to 14,000 patients. Over a 9-year period, the number of patients in these State institutions has been reduced from a high of 558,000 in 1955 to the current low of 490,000.

In addition to the obvious human and social benefits, the return of so many thousands of mental patients to their communities and to productive activity has yielded substantial economic dividends. It is estimated that the States alone are now saving \$1.5 billion a year in patient care costs and \$3.5 billion in capital construction costs as a direct result of the doubling of the discharge rate in mental institutions over the last decade.

The decrease in the population of State mental hospitals is due to more effective methods for treating mental illness and to changes in the patterns of treatment but not, unfortunately, to a decline in the incidence of psychiatric disturbances. While the resident patient population has fallen, the number of patients under care in outpatient psychiatric clinics has increased—during the period 1954 to 1963 it rose from 379,000 to 862,000. Advances in treatment have also made it feasible to treat a great many psychiatric disorders in general hospitals. More than 400,000 psychiatric patients are now cared for by over 1,000 general hospitals. The trend is thus not toward less mental illness but toward its treatment in local facilities, frequently on an outpatient basis, instead of in State mental institutions.

This highly desirable change in the treatment of mental illness has been made possible by two major factors: the introduction and steady development of psychoactive drugs and the increase in the number of trained personnel available for treating mental patients.

The research grant program of the National Institute of Mental Health played a major part in bringing about the "drug revolution" and it continues to support efforts to expand the scope and effectiveness of this approach to the treatment of mental illness. The Psychopharmacology Service Center established by the Institute is playing an important role in making advances in drug therapy available throughout the country and in helping to discard institutional confinement as the traditional treatment for many mental illnesses.

The new approach to treatment makes much greater demands on trained psychiatric personnel. The decline in the number of institutionalized patients has only been possible because full-time personnel in public mental hospitals has doubled during the past 15 years. The appropriations for the NIMH training programs which made this increase possible has clearly been a most productive investment. Nevertheless, the supply of trained psychiatric personnel falls far short of present needs and is entirely inadequate to meet readily foreseeable future demands.

In 1962 when Congress made special provision for a 2-year program of grants to States for planning for comprehensive State mental health programs, it was recognized that these plans, which are being completed this year, could not be implemented without

an adequate supply of trained manpower. During the hearings on the community mental health centers legislation, it was clearly recognized that these centers could not be made operational until sufficient trained manpower was made available and the Congress therefore requested a 5-year projection of manpower needs.

The projection submitted to the committee in 1963 foresaw a need for 87,000 graduate trainees by 1970 in the four core mental health professions—psychiatry, clinical psychology, psychiatric social work, and psychiatric nursing. It was estimated that an expanded training program to meet this need would require an increase of \$15 million per year in training funds.

The budgets presented to the Congress have fallen considerably short of providing for this necessary level of support. The increase in the 1965 budget was little more than half the proposed annual increment (\$8 million), and the increase proposed for fiscal 1966 is only slightly larger (\$10 million).

The present training programs of the Institute not only fail to meet the future needs of the community mental health center program, but fall far short of providing the funds needed to support training programs which have already been reviewed and approved. During fiscal 1964, the cost of approved training grant applications exceeded available funds by approximately \$9.5 million. The Institute decided that it would be better partially to fund all approved grants to the extent that its budget allowed rather than leave some 245 approved applications unfunded. The budget deficiency is thus being shared by all successful training grant applicants—with the predictable result that the manpower deficiency will continue to be shared by mental health institutions in the years to come.

The funds available for fellowships fall similarly short of requirements. Some 230 worthy applicants had to be denied support during fiscal year 1965 because the \$1,313,000 needed to fund these fellowships was not available.

Under the budget estimates submitted for the current fiscal year, there will be a similar shortage of funds to train young people who are eager to receive instruction in the psychiatric disciplines.

The committee is convinced that the entire community mental health center program is in serious jeopardy unless the pace of the training programs is accelerated to provide the competent personnel that will be needed to staff these centers. The committee has therefore provided an increase of \$6,500,000 for the Institute's training programs to help close the gap between approved training applications and the amount needed to fund them. The total of a little over \$89 million for training which this increase will make available still falls substantially short of the \$100 million which it was estimated would be required in fiscal 1966, when the community mental health center legislation was considered in 1963, to meet existing needs for professional personnel and to supply the additional psychiatric manpower required to launch a network of mental health centers.

Shortages of personnel also seriously hamper the professional and technical assistance activities of the NIMH. In addition to its intramural program at Bethesda, the Institute operates nine regional offices in various parts of the country. The role and responsibilities of staff of these offices have, in the past few years, been greatly expanded.

The regional offices work closely with State governments, local governments, and individual institutions on the new community mental health center program, on various aspects of the new mental retardation legislation, on the hospital improvement grants, on the inservice training programs in State institutions and on mental health planning. Despite these additional demands, the budget for fiscal 1966 makes no allowance for additional positions in any of the nine regional offices. In fact, the budget estimate includes an increase of only about \$400,000 for all of the activities administered by the Professional and Technical Assistance Branch. This is far short of the amount needed for these important activities and the committee has therefore added \$500,000 to the professional and technical assistance budget item to provide the additional positions needed for the proper discharge of the responsibilities of this branch of the Institute.

The research activities of the Institute continue to make good progress. So little is known about the fundamental causes of mental illnesses and the problems encountered are so complex that there can be no letup in the extensive research programs conducted and supported by the Institute. The committee is particularly gratified by the increased efforts being made on the problems of alcoholism, drug abuse, and juvenile delinquency. The National Clearinghouse for Mental Health Information, for which funds were first provided by the committee in 1963, should soon be in full operation and can be expected to make a substantial contribution to the more effective and rapid dissemination of scientific information.

#### CONSTRUCTION OF COMMUNITY MENTAL HEALTH CENTERS

1965 appropriation-----	\$35, 000, 000
1966 budget estimate-----	50, 000, 000
House allowance-----	50, 000, 000
Committee recommendation-----	50, 000, 000

The committee recommends an appropriation of \$50,000,000, the amount of the 1966 budget estimate, and an increase of \$15,000,000 over the 1965 appropriation.

This program, authorized by the Congress in 1963 to make more adequate treatment for mental illness available in the community, has now completed its first year of operation.

Two State plans for construction of mental health facilities have been approved and it is expected that 41 States will have submitted their plans by the end of 1965. More than 200 communities have already developed programs for the establishment of centers.

The appropriation of \$50 million for the second year of the program is the next step in the plan to develop more than 500 centers by 1970.

#### NATIONAL HEART INSTITUTE

1965 appropriation-----	\$125, 171, 000
1966 budget estimate-----	131, 612, 000
House allowance-----	136, 412, 000
Committee recommendation-----	138, 412, 000

The committee recommends an appropriation of \$138,412,000—an increase of \$13,241,000 over the 1965 appropriation, an increase of \$6,800,000 over the 1966 budget estimate, and an increase of \$2,000,000 over the House allowance.

Substantial advances against heart disease were reported to the committee, both in respect to the acquisition of new knowledge and to its effective application. Mortality rates from all major cardiovascular diseases except coronary heart disease have declined. The most spectacular gains have been registered against infectious heart diseases, hypertension, congenital heart diseases, and rheumatic heart disease. The overall death rate from strokes has gone down somewhat, and death rates from arteriosclerotic heart disease have declined among women under 55. For the Nation as a whole, the death rate from high blood pressure has been dramatically reduced by more than 50 percent.

But the main bulk of the heart disease problem persists—arteriosclerosis. Its major serious form, atherosclerosis, with its consequences of coronary heart disease, heart attacks, and strokes, take over half a million lives a year.

Accomplishments in research reported to the committee justify the hope of attaining the goal set for this Institute. Advances were made, for instance, against congenital heart disease, so that it is now possible to benefit the vast majority of babies born with heart or blood vessel defects. Literally thousands are being saved who would have died a few years ago.

Preventive measures, better diagnosis of prior streptococcal infections, antibiotics, and surgery to replace damaged mitral valves are all making significant inroads on rheumatic fever and rheumatic heart disease as important causes of death and disability.

Much has been learned, too, about cerebrovascular diseases and strokes. Improved diagnostic methods from research, as well as striking developments in preventive and corrective surgery, mean that many previously hopeless potential or actual victims of strokes can be benefited today.

Important factors which increase the risk of heart attacks have also been uncovered, particularly through epidemiological studies. New evidence indicates that elevated blood levels of neutral fat (hypertriglyceridemia) may also increase coronary disease risk. This is proving to be a more complicated problem than was formerly supposed. Expert witnesses recommended that dietary regimens designed to reduce blood cholesterol be studied for their effects on triglyceride levels.

It was gratifying to hear that there may be new hope for victims of angina pectoris. In a clinical study, where a drug, nethalide, was combined with nitroglycerin, patients with angina on the combined therapy were able to exercise two to five times as much as those on nitroglycerin alone. And for runaway heart rates (arrhythmias)—a dreaded complication of heart attacks and postoperative heart surgery—a new technique has been devised which appears to be highly effective.

Oxygen administered to animals under three atmospheres pressure—hyperbaric oxygenation—significantly lowered mortality from heart attacks. This procedure appears to offer considerable promise for human patients, and the Heart Institute is moving ahead to explore the possibility. Several chambers have been installed in large medical centers and others are planned.

A new electronic device called a barospacer has effectively controlled blood pressure in dogs with induced hypertension. They showed none of the side effects experienced with drugs, the usual treatment. It is hoped that this device proves equally effective in human patients.

Institute efforts to develop inexpensive heart-lung and kidney apparatus are beginning to yield promising results. A quart-size heart-lung device is undergoing trial in animals. If successful, this could be the prototype of a cheap, disposable, convenient machine for open-heart surgery, reducing the need for large amounts of blood, the risks of hepatitis, and untoward reactions from transfusions.

The committee has urged an adequate assessment of the effects of various drugs, including hormonals, on heart disease mortality. In fiscal 1965, \$650,000 was appropriated for this purpose, but was not apportioned by the Bureau of the Budget until the last quarter of the year. The committee concurs fully with the House action in providing funds for the further support of this study.

Heart Institute witnesses presented excellent testimony on emphysema, a grave lung disease which involves the cardiovascular system. This disease has grown with alarming swiftness into a health problem of the first magnitude. The committee has recommended that an additional \$1 million be appropriated for the National Institute of Allergy and Infectious Diseases to investigate the virological aspects of emphysema. It also expects the Heart Institute to intensify efforts on early diagnosis, improved drugs for relieving severe breathing distress, respiratory stimulants, agents for dilating airway passages, improved oxygenating devices, epidemiological studies, and basic work on respiratory physiology. For this reason, the committee wholeheartedly endorses the Institute's budget request for \$100,000 and four positions to establish a section on clinical pulmonary physiology in the intramural research program.

Epidemiology in the cardiovascular field is an Institute program activity in which the committee has maintained a longstanding approval. Observations of great interest include the fact that Puerto Rican males have one-third the coronary disease death rate of continental white citizens. Further, the death rate of persons of Japanese ancestry living in Hawaii is twice that of males of the same age living in Japan, while the death rate from cerebral hemorrhage among the Japanese in Hawaii is lower than among Japanese in Japan. The committee looks forward to the results of studies that may elucidate these differences.

Although the Institute has stepped up its planning to overcome deficiencies in manpower resources with a view to consolidating gains in heart research, the committee is dissatisfied with progress in training sufficient numbers in the various aspects of clinical cardiology, in particular, and in other areas of vital need. The number of postdoctoral fellowships have declined from 282 in 1963 to an estimated 220 for 1966. The manpower situation in heart research is altogether too critical to permit a reduction in training. The committee recommends that an increase of \$2,000,000 over the budget request be appropriated for training and fellowship grants.

There is one other matter to which this committee would direct attention. The greatest need of the Institute in the near future is to develop cardiovascular research centers and to plan for their coordination with the evolving program for heart disease, cancer, and stroke. Because of concurrent legislation in this area, the committee does not recommend any funds over and beyond those requested, but the committee believes that the application of knowledge derived from this Institute's program must be greatly increased and improved. The

National Heart Institute must sharpen the focus of its program, and coordinate its activities with the bold innovations of the national program to conquer the Nation's major diseases.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

1965 appropriation.....	\$20,190,000
1966 budget estimate.....	22,177,000
House allowance.....	22,177,000
Committee recommendation.....	23,677,000

The committee recommends a total appropriation of \$23,677,000 for these activities—an increase of \$3,487,000 over the 1965 appropriation and an increase of \$1,500,000 over the 1966 budget estimate and the House allowance.

The National Institute of Dental Research continues to make good progress in its efforts to prevent and alleviate oral diseases.

Research on animals lends support to the theory that dental caries is a transmissible disease of microbial origin, while other research turned up two strains of streptococci in human caries. One strain was found in active, rapidly progressing caries, and a second strain in slowly forming cavities. Both of these findings have enormous potential for practical applications.

In the treatment of periodontal diseases, two possibilities were opened up. The antibiotic vancomycin produced marked reductions in human gingivitis, while another antibiotic, spiramycin, has proved effective in controlling periodontal infection in animals.

Continued research on canker sores—in particular, on the bacteria previously isolated from these lesions—revealed that the organism was present in the blood as well as in the oral tissue of patients, and that typical ulcerations could be produced in animals by injecting them with the organisms.

In the fluoridation program, research has led to a new phosphate-fluoride solution which, in test situations, appears to be more effective than the standard fluoride solutions that have already done so much to prevent decay.

The millions of Americans who have lost their teeth because of periodontal disease can look hopefully to a unique research project on something better than dentures. Under a research grant from the Dental Institute, investigators at Brown University in Providence, R.I., removed teeth from monkeys and molded replicas in polymethyl-methacrylate. The plastic teeth were treated with an antiseptic and then inserted into the animals' natural tooth sockets.

After being in place for 3 years now, the implanted teeth are still firm and functional, despite the beating they take in the mouths of wild animals. A connective tissue lining and some bone formation have developed around the inert implant.

In other laboratories, research is moving ahead rapidly in the development of new tooth-filling materials. Capable of bonding directly to the teeth, these materials are expected to be developed in the near future. It is anticipated that they will revolutionize the practice of dentistry.

Studies by scientists in the Institute and in seven Institute-supported multidisciplinary centers for cleft palate research have yielded important baseline information on the problems of cleft lip and



palate. Further study of genetic factors are indicated, and better understanding of functional impairment, therapeutic management, and rehabilitation is needed.

In view of the magnitude and complexity of oral health problems, the committee finds the budget of this Institute for research grants and training seriously deficient. Nearly \$4 million in approved grants were not awarded in 1965 because of the lack of funds—an amount equal to one-half of the total funds of this Institute for research projects. At the same time, many of the programs envisaged by dental experts have had to proceed slowly or not at all because of the scarcity of dental researchers. By not providing sufficient grant funds, this country is wasting the few scientists it has trained, and by not offering more training opportunities, the immediate possibilities for improving oral health cannot be explored. To rectify this situation, the committee recommends that \$1 million more than has been requested be allocated to this Institute for regular research grants, \$200,000 more for collaborative research, and an additional \$300,000 for fellowships.

#### NATIONAL INSTITUTE OF ARTHRITIS AND METABOLIC DISEASES

1965 appropriation.....	\$113,344,000
1966 budget estimate.....	119,203,000
House allowance.....	121,203,000
Committee recommendation.....	123,203,000

The committee recommends a total appropriation of \$123,203,000, an increase of \$9,859,000 over the 1965 appropriation, an increase of \$4,000,000 over the 1966 budget estimate and an increase of \$2,000,000 over the House allowance.

This Institute is concerned with a broad array of diseases, mostly chronic, that afflict millions of American citizens: arthritis, diabetes, and a host of other disorders of metabolism, the blood, bone, liver, and kidneys.

Steady progress continues to be made in the constant efforts of the Institute to improve diagnostic techniques, develop more effective therapeutic measures and, where possible, determine how these diseases may be prevented. Some examples will serve to illustrate the progress made during the past year.

A simple test was devised to detect a potentially fatal kidney disease and malignant tumors of the urinary tract. With this test it will be possible for physicians to screen the population for serious kidney diseases, such as pyelonephritis and tumors, so that they can be caught at an early and treatable time.

A surgical technique was developed to cure total urinary incontinence.

Morbidity and mortality rates among patients suffering from ulcerative colitis were significantly lowered by the administration of corticosteroid drugs in the form of suppositories and enemas. This new method was highly effective in 80 percent of the patients on whom it was tried.

Greater emphasis on research in gastroenterology appears to be bearing fruit. The synthesis of gastrin, the stomach hormone which stimulates secretion of corrosive gastric juices, by Institute grantees at the University of Liverpool, opens the door to a new era in research on peptic ulcer because scientists now have, for the first time, a pure

substance that affects and thus makes possible the study of the mechanisms of gastric secretion that have thus far eluded understanding.

The use of a new steroid drug (stanozolol) in the treatment of cystic fibrosis, a seriously debilitating disease that afflicts many children, stimulates growth and development of some children with this disease, repressing the characteristic potbelly and clubbing of fingers, and reducing the incapacitation following their frequent respiratory infections. New avenues of research on cystic fibrosis were explored at a highly productive research conference, sponsored by the Institute and the National Cystic Fibrosis Research Foundation, which brought more than 160 internationally eminent scientists together at Bethesda.

Among other new therapeutic developments were the treatment of alcoholic patients with megaloblastic anemia with folic acid to induce development of normal red cells; the surgical removal of enlarged, overactive spleens in patients with sickle cell anemia to reduce the destruction of red blood cells; the use of human gonadotropic hormones to induce ovulation in previously sterile women; and the daily administration of resin to lower cholesterol levels.

It was discovered that prolonged, large doses of salicylates (such as aspirin and related drugs), used to alleviate the pain of degenerative arthritis (osteoarthritis), also inhibit the action of protein-digesting enzymes which are thought to be responsible for the degeneration of cartilage, characteristic of this disease. The use of these drugs as a prophylactic measure is therefore being explored.

The scientists on the Institute's staff who last year identified the disease homocystinuria, which causes mental retardation, have now also found the hereditary metabolic defect responsible for this disease.

The Institute continues to expand its scientific communication activities. Its new monthly publication of abstracts from the world literature on arthritic and rheumatic disorders has been welcomed by rheumatologists and the Institute is now planning two other abstract journals, one concerned with gastroenterology and the other with diabetes. The Institute also has an active scientific exhibits program for practicing physicians, and sponsors (or cosponsors) working conferences on such topics as artificial kidneys and hemodialysis, the epidemiology of diabetes, etc.

The Institute's population study among North American Indians has been highly productive. Last year, Institute scientists upset several time-honored medical beliefs by demonstrating that rheumatoid arthritis is not related to heredity or to climate. This year, the team is working with the Pima Indians in Arizona on an epidemiological study of arthritis and on the reason for the high incidence of diabetes which is 10 times greater in this population group than in the country as a whole.

The importance of research in diabetes was recently underscored by data published by the Public Health Service's Center for Health Statistics indicating that the number of Americans with diabetes, known and unknown, may be 4 million, and perhaps even higher. This is a striking increase over the previously accepted estimate of 3 million diabetics. Moreover, on the basis of knowledge about genetic predisposition to the disease, it is estimated that an additional 5,125,000 persons in the United States are potential diabetics and will develop the disease sometime during their lives. More than a quarter

of the population of the earth carries a hereditary tendency toward diabetes and it is thought that a total of 30 million people throughout the world actually suffer from this disease. Although diabetes, if discovered and properly treated, can usually be managed satisfactorily, there is no known permanent cure for this complex disorder which remains the seventh leading cause of death.

Methods of diagnosis and treatment have been improved from time to time. Nevertheless, the committee has felt for some time that the Institute has not devoted as much of its efforts to research on diabetes as the prevalence of the disease would seem to justify. Part of the difficulty appears to have been that potentially fruitful research opportunities did not present themselves though it may also be suspected that the ability to manage the disease dissipated interest in finding a means of prevention or a cure.

The committee has now been informed that new techniques for detecting the prediabetic state should make it possible to devise a method of preventive management for individuals with a high risk of developing diabetes, based on their genetic background, and that research has reached the point where expanded efforts in both laboratory and clinical studies should lead to a more exact understanding of the role of metabolic disturbances in carbohydrate and fat biochemistry in the cause and course of diabetes.

To enable the Institute to take advantage of these opportunities, the committee has included an increase of \$1,000,000 in the appropriation on the understanding that these funds will be devoted to research specifically focused on diabetes and will not be channeled away to general metabolic studies, however worth while these may be thought to be. Other funds available to the Institute should be adequate to support basic metabolic research. It is expected that approximately half of the increase will be devoted to the support of additional research projects directly focused on determining the causative factors of diabetes and on exploring the disordered carbohydrate and lipid metabolism in this disease, and to increased support for the training of investigators in this field.

The other half of the increase, including such new positions as may be necessary, shall be devoted to strengthening the Institute's direct studies of clinical and experimental diabetes and the metabolism of insulin and glucose, including more adequate support to the newly established Clinical Investigations Section on Diabetes and Intermediary Metabolism; and for collaborative projects such as research on the synthesis of polypeptide fragments of the insulin molecule in order to facilitate studies of insulin action, the development of a more accurate and reliable plasma assay for insulin, and epidemiologic and clinical studies.

The committee was impressed with the plans of the Institute and the testimony of outside witnesses on the subject of kidney failure and hemodialysis. It is apparent that there is a pressing need for a major program aimed at improving current techniques of hemodialysis and perfecting the artificial kidneys now available. Methods developed in recent years make it possible to save the lives of patients who have lost effective kidney function through the repeated, routine use of an artificial kidney. However, the machines and techniques now available require the services of highly skilled, specially trained per-

sonnel of whom too few are available. The cost of present methods (about \$7,000 a year) is also much too high to permit most patients to avail themselves of this treatment.

To make this lifesaving technique universally available for permanent patient maintenance, simpler techniques as well as simpler and less costly equipment must be developed. Knowledgeable authorities representing the present artificial kidney centers agree that improvements in hemodialysis require a better understanding of the nature of uremia—the fatal end stage of kidney failure—which must be developed side by side with efforts to improve artificial kidney apparatus and techniques.

The work that must be done was summed up by one of the expert witnesses as follows:

We must engage in an exhaustive effort to study and develop new types of membranes, and to determine their relative effectiveness in removing the many and various metabolic products; we must improve the design of artificial kidney machines, with respect to pumps, the composition of dialysis bath fluids, and so forth, in order to make the dialysis technique both more efficient and more rapid; and we must perfect the other methods of blood purification, including peritoneal dialysis. In addition, we must study the long-term effects of chronic dialysis on the patient. Furthermore, we need research on the nature of chronic uremia and kidney failure for in the long run the development of a thoroughly efficient artificial kidney depends upon much better definition of just what end products of body metabolism are most toxic—and in what way—to body function.

The committee endorses the action of the House in adding \$2,000,000 to the appropriation of this Institute for work on the artificial kidney but believes that this amount will not be sufficient to support all of the work that can, and must, be done immediately. The means for saving thousands of lives are clearly at hand. To stop short of making available all the funds that are necessary to bring this treatment within the grasp of all of the people who need it is, in effect, to condemn these people to a needlessly early death. The committee has, therefore, added a further \$1,000,000 to the appropriation so that further research and developmental work may proceed with all possible speed.

#### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

1965 appropriation.....	\$70, 100, 000
1966 budget estimate.....	74, 987, 000
House allowance.....	74, 987, 000
Committee recommendation.....	77, 987, 000

The committee recommends an appropriation of \$77,987,000, an increase of \$7,887,000 over the 1965 appropriation and an increase of \$3,000,000 over the 1966 budget estimate and the House allowance.

Although tremendous strides have been made during the past half century in the fight against infectious diseases, by vaccines to prevent diphtheria, tetanus, whooping cough, yellow fever, smallpox, and poliomyelitis and effective treatments for venereal diseases, tuberculosis,

and other bacterial diseases, many problems remain in the fields of microbiology and immunology which still require a concerted research attack. Collectively, the infectious diseases still rank third as a cause of death in the United States. Each year about 70,000 people succumb to pneumonia, including 10,000 infants under 1 year of age, 9,300 people die from tuberculosis and at least another 40,000 die from other infectious diseases. Infectious diseases are also a major cause of illness—acute respiratory disease alone accounts for more disability and time lost from work and school than all other illnesses combined.

Virus diseases present a complex array of problems. Not only is the exact role of a virus in causing disease imperfectly understood but viruses are elusive, have different effects in different host environments, are often very slow to multiply, and seem to be able to cause disease after they have become undetectable or may even have disappeared. These characteristics to a large extent determine the nature and the pace of virus research which demands painstaking care, persistence, and patience.

Despite the difficulties, many important advances were reported during the past year such as the successful field trial of a live oral vaccine against adenovirus 4, the main cause of severe epidemics of acute respiratory disease at military training camps; continuing progress in developing vaccine against the respiratory syncytial virus, the main cause of severe and often fatal pneumonia in infants; the development of a number of additional virological research reagents which can be used for rapid and accurate identification of viruses; the discovery that the 31 adenoviruses fall into 3 antigenic groups, which brightens the prospects for developing a single vaccine for a high proportion of severe acute respiratory disease in children and young adults; and the cultivation of the rabies virus in human cells which is an important step toward the development of a safe and effective vaccine against human rabies.

The committee is pleased to hear of the progress being made but is even more impressed by the opportunities which now seem to exist for more definitive steps toward the elimination of acute infections of the upper respiratory tract. In the opinion of the committee, based on the information and recommendations furnished to it by expert witnesses, the budget estimate does not make adequate provision for this important work and an increase of \$750,000 has therefore been included in the appropriation for the development of respiratory virus vaccines.

Vigorous work also continues on the advancement of knowledge and techniques for the diagnosis, treatment, and prevention of other infectious diseases and allergic conditions. Among recent developments are the discovery that urinary infection after prostate surgery can be prevented by the antibiotic kanamycin; the use of the antibiotic vancomycin, taken by mouth, as an effective treatment for staphylococcal infection of the intestinal tract; a new test for penicillin sensitivity which is the most common cause of harmful allergic drug reactions; the development of a new "killed" immunizing agent against tuberculosis which has produced in experimental animals an immunity equal to that of "live" BCG vaccine, apparently without causing problems of sensitization; and a new test for a type of blood cancer in chickens which may be useful in identifying human cancer viruses.

The Institute reported that during the coming year it will intensify its research into the so-called chronic virus diseases—such as herpes zoster, or “shingles,” which is an extremely painful disease prevalent among older men and women; attempt to clarify the role of fever in recovering from infection; and undertake clinical investigations of systemic fungal and respiratory viral infections. Vaccines against virus that cause croup, bronchiolitis, and pneumonia will be tested and new efforts will be made to defeat resistant strains of parasites.

Since the isolation of the rubella (or German measles) virus in 1962, considerable work has been done toward the development of a rubella vaccine. Although rubella is a relatively mild disease, it can cause very serious birth defects of the brain, the heart, the eyes, and ears if contracted by the mother during the earlier months of pregnancy. It is estimated that the rubella epidemic in the spring of 1964 resulted in the birth of 20,000 defective babies. Another epidemic, on the west coast and in Hawaii, early in 1965 will probably have similar tragic consequences. The perinatal project of the National Institute of Neurological Diseases and Blindness has made it possible to monitor these epidemics and to make much more accurate assessments than have hitherto been available of the incidence of rubella among pregnant women and the frequency of consequent birth defects. As neither rubella nor birth defects are reportable diseases, no statistics of this sort are routinely collected.

Rubella is of direct concern not only to the National Institute of Allergy and Infectious Diseases but also to the National Institute of Neurological Diseases and Blindness and the National Institute of Child Health and Human Development. A joint team of investigators from these three institutes has made impressive progress in the solution of the rubella problem. A major contribution of this team, announced earlier this year, is the development of a new test which reduces the time needed for identifying rubella antibodies in blood samples from 2 weeks to 24 hours.

Dr. John Sever, of the Neurology Institute, last year produced the first experimental rubella vaccine which was successfully tested in human volunteers but which could not be produced in commercial quantities. Many other unexpected complexities have been encountered in the development of a rubella vaccine, such as the refusal of the virus to multiply to high concentrations and the grave risk of inadvertently spreading the disease to pregnant women in the course of clinical trials and a major cooperative effort is required to resolve these difficulties. The NIH therefore set up a Committee on Rubella Virus, consisting of outstanding virologists and pediatricians active in vaccine development work under the chairmanship of Dr. Edwin Lennette, of the California State Department of Health, which recommended that multiple approaches to the problem should be investigated to insure that the most effective vaccine can eventually be selected from a number of probable candidates and urged the initiation of a collaborative program. Nine of the eleven major pharmaceutical companies invited to participate in this program have accepted and have submitted contract proposals for work on rubella vaccines.

The committee feels that this important program should be pursued with all possible vigor and has therefore provided an increase of \$500,000 for this purpose in the Institute's appropriation.

During the course of the hearings, the committee has inquired about research on emphysema and was surprised to learn that very little is being done despite the fact that the National Center for Health Statistics reports a sevenfold increase during the past 10 years in the number of deaths from emphysema. In 1962 emphysema was listed as the cause of 12,350 deaths; 1 authority estimates that this figure will grow to 60,000 in 1965. It may well be that this increase is partly the result of better diagnosis, but there is ample evidence that there has been a serious actual increase in the incidence of the disease. Moreover, the morbidity statistics, disturbing though they are, do not reflect the debilitating nature of emphysema and the distress caused to those who suffer from it.

The committee was informed that there is no known cure for the disease, nor adequate treatment, and only fragmentary information about the cause of the disease. It is thought that microbial agents play a major role in the onset and progress of the disease and that repeated attacks of acute respiratory disease, including bronchitis, may be responsible for cumulative lung damage which results in emphysema. The contributory effect of cigarette smoking seems clear and the frequency of illness in urban areas with their air pollution problems implicates smog and chemical irritants.

The importance of making a serious attempt to identify the causes of emphysema and to develop effective therapeutic and, if possible, preventive measures is obvious. The committee, therefore, directs the National Institute of Allergy and Infectious Diseases to take all feasible steps to stimulate a greater interest in research on emphysema and to organize a suitable research program. For this purpose the committee has included \$1,000,000 in the appropriation which shall be available for research grant support and for the Institute's own research activities in whatever proportion will best contribute to the launching of an effective research effort.

Another activity of great potential benefit is the Institute's collaborative research program in organ transplantation. The major obstacle to the successful transplantation of an organ or other tissue is the tendency of the body to reject the transplant or graft as though it were a life-threatening invader rather than a lifesaving replacement. There are two possible approaches to overcoming this phenomenon, known as histoincompatibility—one is to match the tissues of the donor and the recipient by developing suitable techniques for tissue typing, analogous to blood typing for blood transfusions; the other is to counteract histoincompatibility by means of drugs or chemicals.

The \$2,000,000 provided by the Congress for fiscal year 1965 for research in organ transplantation and immunology was largely devoted to these two areas of research. The Institute supported 55 research projects in transplantation immunology covering all aspects of the problem and undertook a collaborative program primarily directed to the refinement, development, and supply of suitable tissue-typing reagents. Ten contracts were awarded to laboratories in the United States and Europe with the funds available but a great deal more needs to be done for which no funds are provided in the budget because the collaborative program could not be launched until well after the 1966 estimates had been prepared. The appropriation,

therefore, includes \$750,000 over the estimate so that the development of this important program, for which the Congress took the initiative, will not have to be delayed a full year.

#### NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND BLINDNESS

1965 appropriation-----	\$88,089,000
1966 budget estimate-----	92,153,000
House allowance-----	92,153,000
Committee recommendation-----	96,653,000

The committee recommends an appropriation of \$96,653,000, an increase of \$8,564,000 over the 1965 appropriation and an increase of \$4,500,000 over the 1966 budget estimate and the House allowance.

Neurological and sensory diseases are unusually complex phenomena and many of these disorders have defied research investigators for many years.

The Institute is, therefore, devoting particular attention to organizing and stimulating multidisciplinary attacks upon these diseases. To this end, the Institute has already organized 25 clinical research centers and information centers in the neurological and sensory field and is planning to expand this program further. In order to provide constant surveillance of the fields with which it is concerned, the Institute has set up special advisory subcommittees on speech, hearing and language, vision and, in cooperation with the Heart Institute, on stroke. The creation of a similar subcommittee on epilepsy is now under consideration. Through a series of workshops, the Institute has been exploring research opportunities resulting from such diagnostic advances as neuroradiological methods in detecting brain tumors and other brain disorders, television ophthalmoscopy in detecting visual disorders, early detection of glaucoma in the families of glaucoma patients, and mass screening methods for the early detection of certain metabolic disorders that cause mental retardation. The deficiency in clinical investigations of long-term illness in hospitals serving the chronically disabled, has been partially remedied in a new program which the Institute is conducting in cooperation with the Veterans' Administration in VA hospitals.

The Institute's collaborative perinatal project has amassed a great many observations on pregnant mothers and newborn infants which are now beginning to be correlated by electronic computers. The findings should soon be available to research scientists and practicing physicians. As a result of data already published phenylketonuria (PKU) is being detected with increasing frequency and many States have now passed laws making testing for PKU mandatory. The test principles used to detect PKU, which were developed by an Institute grantee, have been found to be applicable to identification of other metabolic abnormalities. It is hoped that rapid, mass screening techniques for many metabolic disorders will soon be available and in general use so that many cases of mental retardation and other disabilities can be prevented.

The perinatal project has proved particularly valuable as a means of monitoring the recent German measles epidemics and the resultant increase in the number of defective babies. The Institute is to be commended for its vigorous attack on the German measles problem



and for the major part its intramural staff has played in the vaccine development research undertaken jointly with the National Institute of Allergy and Infectious Diseases and the National Institute of Child Health and Human Development. Additional funds for this work are included in the appropriation for the National Institute of Allergy and Infectious Diseases but it is the committee's intent that the Neurology Institute's scientists should continue their effective work on this difficult and urgent problem.

Encouraging progress continues to be made in many fields of concern to the Institute. In the search for the cause of Parkinson's disease, an Institute-supported international symposium on the thalamus presented new information which may lead to more effective therapy. Through minute electrode probes, the exact area within the brain causing tremor can now be identified and some progress has been made in improving both medical and surgical treatment of the disease.

A method of identifying carriers of muscular dystrophy has been developed which has proven to be 70 to 75 percent effective and will provide a valuable new tool for preventive genetic counseling.

Some progress has been made in the treatment of myasthenia gravis, which frequently and seriously afflicts young women of childbearing age, by the early surgical removal of the thymus gland.

On stroke, accurate evaluations of anticoagulants have been made, the cooperative study of cerebral aneurysms is providing data for the guidance of medical and surgical therapy, and a worldwide epidemiological study has been organized. There have also been important advances in the techniques for the early diagnosis and management of strokes. Significant work has been done on brain injuries suffered in automobile accidents including an investigation of "brain edema," the swelling of the brain which seems to contribute to the severe but delayed reactions from apparently trivial injuries. There have been notable advances in the early diagnosis of hearing disorders, the treatment of otosclerosis and other hearing disorders of the aging population, and in the development of new techniques for correcting the dizziness and related problems of Meniere's disease by use of ultrasonic energy.

However heartening these developments may be, the committee continues to be concerned that no effective treatment has been found for the victims of multiple sclerosis or for amyotrophic lateral sclerosis, both of which scourges strike down thousands in the prime of life. Furthermore, despite the fact that a great variety of anticonvulsant drugs are available to control epilepsy, many persons with this disease are still having great difficulty in finding the proper combination of therapy to control their seizures, and many young children appear to be suffering brain damage because of repeated seizures. The committee hopes that the Institute will review all present approaches to the solution of these difficult problems and, especially, that it will encourage investigators to participate in the neglected field of epilepsy research.

During the past year the Institute has undertaken feasibility studies and developed plans for establishing a number of clinical centers for brain research and for research on speech and hearing as a means of launching a strong clinical research program in these areas. Three institutions now engaged in research on human communications and

three others working on brain diseases have been selected as possible sites for such clinical centers and information centers. However, no funds are included in the 1966 budget estimate for these projects. The committee is convinced that it would be a mistake to let these plans lie fallow for a full year and has, therefore, included \$1,000,000 over the budget request in the appropriation so these clinical centers may be established without delay. This sum should be sufficient to establish two clinical centers in brain research, two clinical centers in speech and hearing research, and one information center in each category. As the development of these highly specialized centers will require a considerable amount of staff work, the committee recommends that whatever additional positions are required for this program should be made available to the Institute.

Although there have been some important advances in the treatment of diseases of the eye—such as the development of a specific treatment for certain types of eye infections; increasingly effective corneal transplants; earlier identification and successful treatment for glaucoma; easier and safer cataract surgery; and use of the laser beam to seal tears and holes in the retina before it becomes detached—the committee believes that the Institute's program is seriously deficient in relation to the problem of blindness. Almost a million Americans are functionally blind to the point that they cannot read a newspaper even with the aid of glasses. Each year 30,000 more people lose their eyesight. Millions more have severely crippled vision, incipient glaucoma, and partially clouded lenses. There are children with a so-called lazy eye, which, if uncorrected, soon becomes atrophied to the point where the child is essentially blind in that eye. The committee believes that much of this misery could be prevented and feels strongly that the problems of impaired eyesight could, and should, receive more adequate attention. To accelerate the program for eye research, the committee has included an increase of \$2,500,000 in the appropriation which should be used for establishing additional clinical centers for blindness, for research grants, for training activities, and for epidemiological studies and other direct operations of the Institute.

Among the Institute's 25 clinical centers, there are only 3 specifically related to blindness research and only a few others include vision among their research activities. The committee believes that there should be at least three more vision research centers. One of these should include a scientific information and program analysis center so that new scientific advances will be rapidly identified and made immediately available to the scientific community. Of the additional funds, \$1,000,000 should be used for the development of these much needed centers.

It was pointed out to the committee by competent witnesses that there is insufficient research on specific blinding diseases in actual patients. The committee therefore urges the Institute to organize a program, in cooperation with a group of blindness research clinics, for the systematic study of diagnostic and therapeutic measures in blinding diseases. As part of the program the clinics should maintain a continuing surveillance for blindness due to drug toxicity in order that dangerous reaction such as those produced by chloroquine, cortisone, and MER 29 may be recognized and prevented at the outset. Of the additional funds \$750,000 should be used for research project grants to implement this program.

There is a serious lack of knowledge regarding the prevalence and distribution of eye diseases, especially the associated disabilities of the blind which contribute so much to their problems of daily living. The committee regards the Institute's model reporting area for blindness as an important step toward obtaining accurate information and believes that this program should be extended to include a wider and more representative national sample. In addition, the Institute should undertake epidemiological studies of glaucoma, myopia, and vascular diseases of the eye should be developed in an effort to discover the causative factors in these common eye defects. Of the additional funds provided, \$500,000 should be allocated to the Institute's direct operation for these investigations, including the development of whatever new diagnostic instruments may be required.

One of the impediments to a more vigorous program of blindness research has been the shortage of professional personnel with specific training in the problems of the eye. The training activities of the Institute in this area should receive special attention and \$250,000 of the additional funds provided for the study of blindness should be devoted to training specifically related to eye diseases.

Although the Institute has had some success in expanding manpower resources in the field of neurology, the number of specialists and research scientists remain paltry in comparison with the prevalence of the diseases and disabilities involving the nervous system. There are less than 50 pediatric neurologists in the entire country, and scientists trained for research in audiology, neuropharmacology and ophthalmology are all in such short supply that research in these important fields is at a level out of all proportion to the need. Yet many requests for postdoctoral fellowships from scientists anxious to undergo advanced training in these fields are being denied for lack of funds. At the end of the fiscal year 1965 there were also twenty approved training grants which could not be paid. To remedy this intolerable situation, the committee has included an additional \$1,000,000 in the appropriation to provide for a more adequate level of training in the entire field of neurology.

#### GRANTS FOR CONSTRUCTION OF HEALTH RESEARCH FACILITIES

1965 appropriation.....	\$58,000,000
1966 budget estimate.....	56,000,000
House allowance.....	56,000,000
Committee recommendation.....	56,000,000

The committee recommends the approval of \$56 million, the same amount as the House allowance and the budget estimate, and a decrease of \$2,000,000 from the 1965 appropriation.

This appropriation covers the programs of grants for the construction of (1) new and improved non-Federal research facilities in the sciences related to health as authorized by the Health Facilities Research Act of 1956, as amended, and (2) centers for research on mental retardation and related aspects of human development as authorized under title VII of the Public Health Service Act, as amended by Public Law 88-164, approved October 31, 1963.

The funds approved provide the maximum amounts authorized, \$50 million for health research facilities, and \$6 million for centers for research on mental retardation.

Total appropriations of \$344 million have been made by the Congress through fiscal year 1965, \$330 million for health research facilities and \$14 million for the mental retardation centers.

#### GENERAL RESEARCH SUPPORT GRANTS

The general research support grants, funded from the appropriations made for categorical Institutes, are designed to provide institutions actively engaged in health-related research with resources for the support of research activities which cannot be readily identified as a separate research project for grant support and to give these institutions greater flexibility and control in the direction of their research programs. The committee is convinced that this program is serving a very useful purpose and once again wants to express its concern over the delay in increasing general research support to the level of 15 percent of the total research funds of NIH authorized in the legislation creating this program and in extending these grants beyond the health professional schools to other institutions with a significant role in biomedical research. In 1965 NIH devoted \$45,000,000 to general research support grants. The 1966 budget estimates envision an expenditure of \$45,200,000. The committee directs that this amount be raised to \$50,000,000.

For fiscal year 1965 the Congress raised the sum earmarked for this purpose by \$5 million—from \$40 million to \$45 million—and directed that grants should be made to nonhealth graduate schools and institutions. This was not done—the Bureau of the Budget and the Office of Science and Technology abrogated this direction to thwart the congressional intent. The committee will expect to have monthly reports on the use of these funds with particular attention and comment made with respect to the progress on making grants to the nonhealth graduate facilities.

#### SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

1965 appropriation.....	\$1,000,000
1966 budget estimate.....	6,000,000
House allowance.....	6,000,000
Committee recommendation.....	5,000,000

The committee recommends \$5,000,000, a decrease of \$1,000,000 under the House allowance and budget estimate, and an increase of \$4,000,000 over the 1965 appropriation.

The research efforts supported with foreign currencies derived through the sale abroad of surplus agricultural commodities authorized by the Agricultural Trade Development and Assistance Act of 1954, as amended, are directed toward the solution of disease and health problems which hold promise of contributing knowledge of value and significance to the advancement of medical research in the United States and other countries.

The budget estimate of \$6,000,000 was allowed in full by the House with the comment in its report.

\* \* \* the committee is pleased to note that some of the red-tape and administrative difficulties in getting the special foreign currency programs in operation has been cleared away.

This particular appropriation is a good example. The unobligated balance in this appropriation account at the end of 1963 was \$7,669,000, by the end of 1964 this was reduced to \$6,104,000, and as of the middle of fiscal year 1965 it was \$5,109,000. Since it now appears that most of this \$5,109,000 balance will be used during fiscal year 1965, the \$6,000,000 recommended in the bill for 1966 could actually result in a reduction of fund availability rather than the apparent increase shown by a straight comparison of appropriations.

At the end of fiscal year 1965, June 30, 1965, there remained an unobligated balance of \$2,234,522, which remains available until expended. The 1964 obligations under this account were \$5,565,000. For 1965 they were \$4,875,000, and for 1966 the budget contemplated no carry over, and anticipated the obligation of the full estimate of \$6,000,000. It is the committee's decision that the House allowance be reduced by \$1,000,000. This action will make \$7,234,000 available for obligation in 1966, \$1,234,000 more than the amount contemplated.

#### NATIONAL HEALTH STATISTICS

1965 appropriation-----	\$6,304,000
1966 budget estimate-----	7,310,000
House allowance-----	7,230,000
Committee recommendation-----	7,230,000

The committee concurs in the House allowance, a decrease of \$80,000 under the budget estimate, and an increase of \$926,000 over the 1965 appropriation.

The program of the National Center for Health Statistics comprises the major activities of the Public Health Service in the measurement of the health status of the Nation and in developing and applying technical methods for the collection, processing and analysis of health statistics.

The committee concurs with the House action in the \$80,000 reduction which will permit personnel to be increased by 20, or 8 fewer than the number requested. The principal increases over 1964 are (1) \$718,000 for the expansion and operation of the hospital discharge survey, and (2) \$197,000 for the development of a research program to study the relationship between smoking and health, including reports on causes of death known to be associated with smoking, research on smoking habits, and studies of morbidity and disability and mortality trends for smokers and nonsmokers.

#### NATIONAL LIBRARY OF MEDICINE

1965 appropriation-----	\$3,958,000
1966 budget estimate-----	5,010,000
House allowance-----	5,010,000
Committee recommendations-----	5,510,000

The committee allows \$5,510,000, an increase of \$500,000 over the House allowance and budget estimate, and \$1,552,000 more than the 1965 appropriation.

The National Library of Medicine is a national resource for the collection, analysis, and dissemination of worldwide scientific information related to medicine, public health, and biomedical research,

and for the support and development of biomedical communications conducted through the national medical library network. It provides interlibrary loans, reference and search services, and has developed and activated the medical literature analysis and retrieval system (MEDLARS), a computerized system for the improved analysis, management, and dissemination of published information related to medicine for the purpose of strengthening the medical communication process.

The principal item of increase is \$1,000,000 for the communication of health knowledge on drugs, a part of a departmentwide coordinated drug information program in which the Office of the Secretary, the Food and Drug Administration, and the Public Health Service will participate.

The record shows that the program for the history of medicine, for which the Congress added \$180,000 for fiscal year 1965 was reduced by \$30,000 to \$150,000 by the Bureau of the Budget, and the program for the decentralization of MEDLARS was cut \$263,000. The record also reflects that the program for the microfilming of deteriorating books could use \$562,000 in 1966. Funds are being added in the amount of \$500,000—\$30,000 for the history of medicine, \$250,000 for the decentralization of MEDLARS, and \$220,000 for further work on the microfilming and investigating better methods of recording the deteriorating materials.

#### RETIRED PAY OF COMMISSIONED OFFICERS (INDEFINITE APPROPRIATIONS)

1965 appropriation.....	\$7, 155, 000
1966 budget estimate.....	7, 850, 000
House allowance.....	7, 850, 000
Committee recommendation.....	7, 850, 000

The committee concurs in the House allowance and budget estimate of \$7,850,000, an increase of \$695,000 over the 1965 appropriation.

This indefinite appropriation provides funds for payments that are required by law to retired commissioned officers of the Public Health Service and their survivors, and payments for medical care furnished to dependents of eligible personnel of the Coast Guard, Coast and Geodetic Survey, and the Public Health Service, and to retired personnel of these services.

The increases, all mandatory are as follows: (1) to provide for the full year of 1966 the payments to officers placed on the retired roll during 1965 and for the net increase of 59 officers estimated to be retired during 1966, \$554,000; (2) to provide for increased patient-loads and higher rates in both Federal and non-Federal hospitals, \$127,000; and (3) estimated increase in survivor's benefits, \$14,000.

#### SALARIES AND EXPENSES, OFFICE OF THE SURGEON GENERAL

1965 appropriation.....	\$6, 214, 000
1966 budget estimate.....	6, 648, 000
House allowance.....	6, 648, 000
Committee recommendation.....	6, 648, 000

The committee concurs in the House allowance of the full budget estimate of \$6,648,000, an increase of \$434,000 over the 1965 appropriation.

The approved increase will mainly provide funds for 27 new positions, and for increased employment in previously authorized positions. Additional personnel is needed to meet increased workloads, and for the administration of expanded programs and activities in the Public Health Service. There is a decrease of \$93,800 and nine positions for the partial support of audit activities, which are budgeted in 1966 under the new Office of Audit.

### ST. ELIZABETHS HOSPITAL

#### SALARIES AND EXPENSES (INDEFINITE)

1965 appropriation.....	\$9,537,000
1966 budget estimate.....	9,399,000
House allowance.....	9,532,000
Committee recommendation.....	9,532,000

The committee concurs in the amount allowed by the House, which is an increase of \$133,000 in direct appropriations over the budget estimate and a decrease of \$5,000 under the amount appropriated in 1965.

St. Elizabeths Hospital provides treatment and care for the mentally ill who are either beneficiaries of the Federal Government or residents of the District of Columbia. Programs of the hospital, including training and scientific research activities, are financed by this indefinite appropriation covering treatment and care of Federal beneficiaries by reimbursements for services rendered other patient groups.

The total budget figure of \$29,886,000 approved by the committee includes \$9,532,000 in appropriations, \$1,863,000 in reimbursements from other administrative budget accounts, and \$18,491,000 in reimbursements from non-Federal sources, and it is an increase of \$142,000 over the budget request, and \$517,000 over the amount available in 1965.

The \$142,000 increase will provide for a reduction in lapses on authorized permanent positions. No new jobs are provided, but the additional funds will enable the hospital to fill a portion of the high number of vacancies currently existing, and it will cover an estimated 25 man-years of employment and reduce the lapse rate from 8.5 to 7.9 percent. Other program increases are primarily the result of (a) larger stipends paid to interns and residents in training, and (b) an increase in the amount of equipment that will have to be replaced.

#### BUILDINGS AND FACILITIES

1965 appropriation.....	\$2,032,000
1966 budget activities.....	1,977,000
House allowance.....	1,977,000
Committee recommendation.....	1,977,000

The committee concurs in the House allowance of the full budget estimate, a decrease of \$55,000 under the amount appropriated in 1965.

This appropriation covers all construction and facility improvement items of St. Elizabeths Hospital.

The funds approved will provide \$1,952,000 for miscellaneous improvements of existing facilities, all of which are part of a continuing program of restoration and modernization of existing hospital facili-

ties, and \$25,000 for the development of a program statement leading to the construction of patient treatment facilities having appropriate security features.

A proportionate share estimated at \$1,631,000, of the cost of the 1966 projects will be borne by the District of Columbia, to be collected over a period not exceeding 40 years.

### SOCIAL SECURITY ADMINISTRATION

#### SALARIES AND EXPENSES (TRUST FUND)

1965 appropriation.....	\$331,626,000
1966 budget estimate.....	358,092,000
House allowance.....	355,092,000
Committee recommendation.....	355,092,000

The committee concurs in the action of the House in reducing \$3 million from the estimate of \$358,092,000. These funds are derived from the trust funds to pay for administrative expenses relating to the program of old-age, survivors, and disability insurance.

This allowance provides an increase of \$23,466,000 over the 1965 appropriation. The increases are comprised of \$8,720,000 to restore contingency reserve to \$10 million; \$4,526,000 for mandatory increases; \$17,130,000 for increase in program costs; offset by decreases resulting mainly from improved operating methods and manpower utilization.

#### CONSTRUCTION

1965 appropriation.....	\$5,750,000
1966 budget estimate.....	11,860,000
House allowance.....	11,860,000
Committee recommendation.....	11,860,000

The committee approves \$11,860,000, the amount of the House allowance and budget estimate, and an increase of \$6,110,000 over the 1965 appropriation.

The allowance provides \$8,729,000 for the construction of office and warehouse space at Social Security Headquarters in Baltimore, Md., for which planning funds in the amount of \$450,000 were appropriated in 1965. The Department has indicated that \$8,640,000 of the \$8,729,000 is to be obligated in fiscal year 1966, with the remaining \$89,000 scheduled for obligation in future years. Also provided are funds in the amount of \$3,131,000 for acquisition of sites and construction of 13 additional district office buildings.

The Congress appropriated \$4,532,000 for fiscal year 1965 for site acquisition, planning, and construction of 25 district offices, the initiation of a program to construct approximately 130 offices within 5 years. A disappointing report was given the committee on the progress in the use of the original appropriation in only 15 sites had been selected at the 25 locations with no further progress. The Department is admonished to insist on a concerted effort by the Social Security Administration officials to handle this program more expeditiously. The enactment of the Social Security Amendments of 1965 will result in the intensification of Federal district office construction and a better application of resources and effort will be required.



## WELFARE ADMINISTRATION

## GRANTS TO STATES FOR PUBLIC ASSISTANCE

1965 appropriation-----	\$3, 187, 900, 000
1966 budget estimate-----	3, 242, 100, 000
House allowance-----	3, 000, 000, 000
Committee recommendation-----	3, 000, 000, 000

The committee recommends \$3,000,000,000, the same as the House allowance, a decrease of \$242,100,000 under the budget estimate, and a reduction of \$187,900,000 under the amount appropriated in 1965.

The \$242,100,000 reduction by the House is justified in the House report by possible reductions in dependency resulting from the Social Security Amendments of 1962, by expansion of the vocational rehabilitation program, by operations under the antipoverty program, by initiation of the Appalachian programs, and by the decline in the unemployment rate from 5.4 percent a year ago to 4.7 percent now.

Restoration of the House cut was requested by the Department. In view of the amendments in the Social Security Amendments of 1965, approved July 30, 1965, which provide for substantial increases in the Federal share of the public welfare programs, the committee concurs with the House action. The program will be reviewed in the supplemental estimate that will be considered in the near future.

## ASSISTANCE FOR REPATRIATED U.S. NATIONALS

1965 appropriation-----	\$373, 000
1966 budget estimate-----	332, 000
House allowance-----	332, 000
Committee recommendation-----	332, 000

The committee recommends an appropriation of \$332,000, the amount of the full budget estimate and House allowance, and a reduction of \$41,000 under the 1965 appropriation.

The reduction is a net figure which includes a decrease of \$44,300 relating entirely to a decline in the number of needy Americans repatriated from Cuba, and an increase of \$3,300 for an increase in the caseload of repatriates returned to the United States from countries other than Cuba due to destitution and illness.

## BUREAU OF FAMILY SERVICES, SALARIES AND EXPENSES

1965 appropriation-----	\$5, 514, 000
1966 budget estimate-----	6, 256, 000
House allowance-----	6, 081, 000
Committee recommendation-----	6, 081, 000

The committee recommends the House allowance of \$6,081,000, a decrease of \$175,000 under the budget estimate and an increase of \$567,000 over the amount appropriated in 1965.

The House cut of \$175,000 relates entirely to the reduction in the number of new positions requested from 45 to 20. This decrease was made, according to the House report, because there has been no recent legislation to significantly add to the workload of the Bureau.

In 1964, the Bureau received funds for an additional 25 positions out of 101 requested, and had an unobligated savings at the end of

the year of \$429,000. For 1965, 87 new positions were requested, 48 were allowed, and there was an unobligated balance of \$220,000 on June 30, 1965. In view of this experience, the committee believes that the Department's personnel requirements have not been accurately estimated, and it agrees with the House in eliminating 25 new positions and deleting \$175,000.

The additional funds over 1965 is principally due to mandatory increases totaling \$343,000.

#### GRANTS FOR MATERNAL AND CHILD WELFARE

1965 appropriation.....	\$127, 830, 000
1966 budget estimate.....	162, 000, 000
House allowance.....	162, 000, 000
Committee recommendation.....	162, 000, 000

The committee concurs with the House in allowing the full budget estimate of \$162,000,000, an increase of \$34,170,000 over the 1965 appropriation.

Funds approved provide the full amounts authorized for fiscal year 1966; \$40,000,000 is for grants for maternal and child health services, \$40,000,000 for crippled children's services, \$40,000,000 for child welfare services, \$8,000,000 for research, training or demonstration projects in child welfare, \$30,000,000 for special project grants for maternity care, and \$4,000,000 for research projects relating to maternal and child health services and crippled children's services.

Last year the Congress added a legislative provision requiring dollar-for-dollar matching by the States for day care services beginning January 1, 1966. The Senate amended H.R. 6675, the Social Security Amendments of 1965, deleting the section 527 on day care services, which amendment was agreed to in conference, thus vitiating the matching provision contained in the Appropriation Act for fiscal year 1965.

#### CHILDREN'S BUREAU, SALARIES AND EXPENSES

1965 appropriation.....	\$4, 398, 000
1966 budget estimate.....	4, 494, 000
House allowance.....	4, 494, 000
Committee recommendation.....	4, 494, 000

The committee approves the House allowance of the full budget estimate of \$4,494,000, an increase of \$96,000 over the 1965 appropriation.

This Bureau investigates and reports on the health and welfare of children, and administers grant programs covering State and local health, social, and mental retardation services for children, technical assistance to States and communities on juvenile delinquency, research in child life and services for children, and information for parents and others working with children.

In addition to mandatory increases of \$37,043 and minor decreases totaling \$11,043, the committee action provides for an increase of seven positions and \$70,000 to strengthen the Bureau's efforts to provide technical assistance on staff development in State child welfare programs; on various aspects of State juvenile delinquency legisla-

tion; on the medical, legal and social work aspects of child neglect and abuse; and on parents who need special help in child rearing.

## JUVENILE DELINQUENCY AND YOUTH OFFENSES

1965 appropriation-----	\$11,500,000
1966 budget estimate-----	10,000,000
House allowance-----	1,750,000
Committee recommendation-----	8,250,000

The committee allows \$8,250,000, an increase of \$6,500,000 over the House allowance, \$1,750,000 less than the budget estimate, and \$3,250,000 under the amount appropriated in 1965.

The \$10,000,000 budget request provided for \$6,500,000 for the basic program of developing and demonstrating techniques and practices hopefully leading to a solution of the Nation's juvenile delinquency control problems, and \$3,500,000 for the national juvenile delinquency demonstration project, authorized for the Washington metropolitan area, at a cost of \$5,000,000 to remain available until expended. Of the \$5,000,000 for the Washington project, \$1,500,000 was appropriated for 1965, the request having been reduced from \$5,000,000 on the basis that not more than \$1,500,000 could be obligated in that year. The House reduced the 1966 allowance to \$1,750,000, the amount needed for 1966 operations, and the committee concurs in this action.

The House disallowed the \$6,500,000 request because authorization for the program had not been extended beyond June 30, 1965. The authorization has been extended by Public Law 89-69, approved July 8, 1965. The Department has requested restoration of the \$6,500,000, in view of the new authorization, and the committee is recommending the approval of this amount.

## OFFICE OF AGING, SALARIES AND EXPENSES

1965 appropriation-----	\$587,000
1966 budget estimate-----	703,000
House allowance-----	500,000
Committee recommendation-----	500,000

The committee concurs in the House allowance of \$500,000, a decrease of \$203,000 under the budget estimate and \$87,000 below the amount appropriated in 1965.

The House action eliminated \$103,000 requested for the President's Council on Aging, and \$100,000 and 7 positions of the \$600,000 and 46 positions requested for the Office of Aging.

An appeal was made for restoration of the \$100,000 and seven positions deleted for the Office of Aging. Legislation authorizing the Administration on Aging has been passed, Public Law 89-73, approved July 14, 1965, and a supplemental estimate for funds is now before the Congress, with which the funds for the Office of Aging will be merged. In view of this, the committee concurs with the House in disallowing the appeal.

## COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS

1965 appropriation-----	\$1,700,000
1966 budget estimate-----	2,000,000
House allowance-----	1,882,000
Committee recommendation-----	1,882,000

The committee concurs in the House allowance of \$1,882,000, a decrease of \$118,000 under the budget estimate and an increase of \$182,000 over the 1965 appropriation.

The Social Security Act authorizes grants to States, grants to public and nonprofit organizations and contracts or jointly financed cooperative arrangements for the conduct of research or demonstration projects relating to programs carried on under the Social Security Act and programs related thereto.

The budget estimate included an increase of \$182,000 to continue projects initiated in prior years, and an increase of \$118,000 to begin new projects. Committee action will provide funds to continue projects initiated prior to July 1, 1965, and permit 20 new projects to be undertaken in 1966, the same number that were initiated in 1965. The \$118,000 increase requested for additional new projects is disallowed.

#### RESEARCH AND TRAINING (SPECIAL FOREIGN CURRENCY PROGRAM)

1965 appropriation.....	None
1966 budget estimate.....	\$1, 200, 000
House allowance.....	1, 200, 000
Committee recommendation.....	1, 200, 000

The committee concurs in the House action of allowing the full budget estimate, an increase of \$1,200,000 over 1965 when no funds were appropriated.

The Agricultural Trade Development and Assistance Act of 1954 authorizes the conduct of studies and research abroad in program matters for which the Welfare Administration has statutory responsibility in the United States. The estimate for 1966 contemplates the use of \$1,200,000 in foreign currencies.

The 1965 program, which was financed by unobligated balances from earlier appropriations required the obligation or commitment of all previously appropriated funds. The increase provides for research studies in the social welfare field, and in maternal and child health fields. The funds approved will permit projects in the following eight countries: Brazil, Burma, Egypt, India, Israel, Pakistan, Poland, and Yugoslavia.

#### OFFICE OF THE COMMISSIONER, SALARIES AND EXPENSES

1965 appropriation.....	\$1, 104, 000
1966 budget estimate.....	1, 291, 000
House allowance.....	1, 175, 000
Committee recommendation.....	1, 235, 000

The committee recommends \$1,235,000, an increase of \$60,000 over the House, a decrease of \$56,000 under the budget estimate and an increase of \$131,000 above the amount appropriated in 1965.

This office directs and coordinates the Welfare Administration programs and performs basic research covering the broader phases of social welfare.

The 14 additional positions and \$116,000 requested in the budget but disallowed by the House contemplated provision for a regional coordi-

nator and secretary in seven of the regional offices. Initially the Department asked for full restoration of the House cut, but recently advised the committee it was modifying its appeal and would like to request restoration of six positions and \$73,000.

The revised appeal resulted from a study by a management consultant who concluded that the regional coordinators, requested in the estimate and disallowed by the House, should be replaced by a small staff of three professionals and three secretaries, all of whom would operate from Washington headquarters in a field liaison capacity. The committee has approved funds in the amount of \$60,000 to permit the addition of this staff of six for field liaison work for part of the year.

Other approved funds will permit an increase of three positions for direction and coordination of the welfare program, an increase of two positions for appraisal and development of the welfare program.

### SPECIAL INSTITUTIONS

#### AMERICAN PRINTING HOUSE FOR THE BLIND

1965 appropriation-----	\$865, 000
1966 budget estimate-----	909, 000
House allowance-----	1, 000, 000
Committee recommendation-----	1, 000, 000

The committee recommends approval of the House allowance, an increase of \$91,000 over the budget estimate and \$135,000 above the amount appropriated for 1965.

This appropriation provides Federal assistance for the furnishing of educational materials to blind pupils, and expenses related to advisory committees. The budget request was based on a per capita payment of \$45.15 for an estimated 18,700 blind children. As a result of improved storage facilities recently completed, the Printing House is now able to make available promptly to the States a greater variety of textbooks than previously possible. Due to these improved services, the \$45.15 rate is inadequate to meet the requirements of blind children expected to be eligible. The committee recommendation will permit a \$50 per capita payment, which is the rate required for the Printing House to provide full benefits through the Federal program.

The Printing House also receives \$10,000 annually from a \$250,000 permanent trust fund on deposit with the U.S. Treasury.

#### FREEDMEN'S HOSPITAL

1965 appropriation-----	\$4, 038, 000
1966 budget estimate-----	4, 624, 000
House allowance-----	4, 624, 000
Committee recommendation-----	4, 624, 000

The committee recommends \$4,624,000, the same amount as the House allowance and budget estimate, and an increase of \$586,000 over the 1965 appropriation.

Operation of the hospital, which serves as the teaching hospital for the Howard University Medical School, is financed by direct appropriation and income received for patient care. In accordance with

Public Law 87-262 approved September 1, 1962, it is planned that the hospital be transferred to Howard University during fiscal year 1966.

The principal item of increase is \$250,000 for payment of terminal leave to Federal employees upon transfer of the hospital to Howard University. Other increases will provide for 31 new positions and some improvement in services and facilities.

#### GALLAUDET COLLEGE

##### SALARIES AND EXPENSES

1965 appropriation.....	\$1, 926, 000
1966 budget estimate.....	2, 277, 000
House allowance.....	2, 277, 000
Committee recommendation.....	2, 277, 000

The committee approved the House allowance of \$2,277,000, the full amount of the budget estimate and an increase of \$351,000 over the the 1965 appropriation for the operating expenses of Gallaudet College, a private, nonprofit institution, which is the only college in the world for the deaf.

Mandatory items, including upgrading of faculty salaries consistent with prior biannual revisions, constitute the major portion of the increase. Other increases are related to increased enrollment and extension of services, and provide for 25 new positions.

The committee was informed on July 27, 1965, that there are plans to increase student tuition and fees. The committee is concerned with a proposal to increase tuition, a charge to this group of handicapped youths. The reason for Federal appropriations to this institution is the provision on a national basis of quality educational opportunities to qualified deaf students on a basis comparable with State supported education for hearing students. The committee believes that tuition changes should be carefully considered and justified as a part of the budget process and not independent of the determination of Federal appropriations. Flexibility should exist that permits dealing effectively with changing enrollment, costs, and other circumstances but such changes constitute reprogramming and when significant should be submitted to the committee for its information and consideration prior to instituting changes.

The committee has added a proviso forbidding the charging of tuition rates for the 1966 school year in excess of those charged for the preceding school year.

##### CONSTRUCTION

1965 appropriation.....	\$367, 000
1966 budget estimate.....	308, 000
House allowance.....	308, 000
Committee recommendation.....	384, 000

The committee recommends \$384,000, an increase of \$76,000 over the budget estimate and House allowance, and \$17,000 more than the amount appropriated in 1965.

The allowance of the full budget request will provide: (1) planning funds for a classroom-laboratory addition, \$85,000; a library addition,

\$65,000; continuation of the program of renovation and improvements, \$33,000; equipment for the new arts building scheduled to be completed in the near future, \$125,000.

Testimony presented at the hearings indicated there is a shortage of \$51,000 for equipment for the arts building. Several years ago funds were appropriated for construction of the building. Last year the committee in its report directed the college to proceed immediately with the award of the contract for construction with the understanding that necessary equipment funds would be sought in fiscal year 1966. It was also reported during the hearings that \$26,299 more was needed for equipment for the speech and hearing center. The committee is allowing an additional \$76,000, of which \$51,000 is for equipment for the arts building, and \$25,000 is for the speech and hearing center.

There are a series of houses on the campus, built as residences, some of which have served as dormitories and classrooms, and for which substantial Federal funds have been utilized for extensive repair and alteration. A sum in excess of \$50,000 was used for repair to the residence occupied by the college head—a sum which could have erected a modern home of substantial proportions.

The budget request for the fiscal year just ended and the request for fiscal year 1966 identifies no funds for alteration and repair of this group of houses. The committee will expect no obligation of funds for the purpose. Consideration should be given to the razing of the houses and construction of new structures, under a loan program for residences with the tenants being required to pay rentals sufficient to amortize the cost.

A few years ago this committee added funds in an attempt to insure improvement of the maintenance and operation of the physical plant of the college. A maintenance supervisor was employed and under his guidance the maintenance and operation of the college physical plant has improved vastly as the committee desired.

#### HOWARD UNIVERSITY

##### SALARIES AND EXPENSES

1965 appropriation.....	\$9, 843, 000
1966 budget estimate.....	10, 982, 000
House allowance.....	10, 982, 000
Committee recommendation.....	10, 982, 000

The committee concurs with the House allowance of the full budget estimate, an increase of \$1,139,000 over the amount appropriated for 1965.

The principal program increase, \$1,343,133 is for the accommodation of increased enrollment, and it provides funds for raising teacher's pay, 52 new teaching positions, 27 additional supporting personnel, educational supplies, expenses and equipment, and improvement of medical instruction. Other items of increase are for rehabilitation of the physical plant, centennial celebration expenses, and staff benefits.

Estimated full-time enrollment will increase from 7,220 in 1965 to 7,550 in 1966, and summer session enrollment will increase from 3,724 to 4,432.

## CONSTRUCTION

1965 appropriation.....	\$1, 810, 000
1966 budget estimate.....	2, 920, 000
House allowance.....	2, 920, 000
Committee recommendation.....	2, 920, 000

The committee recommends \$2,920,000, the same amount as the House allowance and budget estimate, and an increase of \$1,100,000 over the 1965 appropriation.

The Federal Government since 1945 has undertaken to finance a major construction program including the erection of a number of new buildings and alterations and repairs to the existing physical plant. Between 1945 and 1964 appropriations for this purpose totaled \$43,500,000.

The committee allowance provides for a new physical education building for women, \$2,620,000; planning of a new classroom building, \$150,000; and planning of a new dormitory building, \$150,000.

## OFFICE OF THE SECRETARY

## SALARIES AND EXPENSES

1965 appropriation.....	\$3, 760, 000
1966 budget estimate.....	4, 294, 000
House allowance.....	4, 053, 000
Committee recommendation.....	4, 053, 000

The committee recommends the House allowance, which is a decrease of \$241,000 under the 1966 budget estimate and an increase of \$293,000 over the 1965 appropriation. The approved amount includes \$3,570,000 in direct appropriations and \$483,000 to be derived by transfer from the OASI trust fund, an increase of \$289,000 in direct appropriations and \$4,000 above the amount authorized for transfer from the trust fund in 1965.

There were 43 new positions requested in the budget. The approved funds will provide for 24 additional positions. New legislation authorizes an increase in the number of Assistant Secretaries. The committee is informed that supplemental funds will be sought to carry out the legislation which will result in a reorganization of the Office of the Secretary.

The committee therefore concurs with the House action in deleting the following 19 positions: 10 positions for establishing the Office of the Special Assistant to the Secretary for Grants Management; 4 positions for elevating the scientific stature of research programs and improving scientific communications; and 5 positions for establishing the Office of the Special Assistant to the Secretary for Special Programs.

## OFFICE OF AUDIT, SALARIES AND EXPENSES

1965 comparable appropriation.....	\$3, 504, 000
1966 budget estimate.....	3, 673, 000
House allowance.....	3, 823, 000
Committee recommendation.....	3, 823, 000



The committee concurs in the House allowance of \$3,823,000 for this new appropriation account, an increase of \$150,000 over the budget estimate and an increase of \$319,000 over the \$3,504,000 available in 1965, which was derived by transfer from 11 funding agencies. The amount recommended includes \$3,313,000 in direct appropriations and \$510,000 by transfer from the OASI trust fund, an increase over the 1966 request of \$133,000 in direct appropriations and \$17,000 in transfer authority.

The Office of Audit has been established to be responsible for overall policy, liaison, and coordination of all Department audit activities. Audit staffs have been transferred to the Office from the Public Health Service, Social Security Administration, Office of Education, Food and Drug Administration, Office of Field Administration, and Office of the Secretary.

The budget estimate requested an increase of 10 positions and \$94,000 to meet additional audit workloads in 1966. The House allowed an increase of 25 positions and \$244,000 for this purpose, and this committee agrees with the House action, which will provide for handling increased workload due to new and expanded programs and to reverse the trend in the accumulation of audit backlogs.

#### OFFICE OF FIELD ADMINISTRATION

1965 appropriation.....	\$5, 279, 000
1966 budget estimate.....	3, 212, 000
House allowance.....	3, 098, 000
Committee recommendation.....	3, 098, 000

The committee approved the House allowance which is a decrease of \$114,000 under the budget estimate and \$2,181,000 under the amount appropriated in 1965. The allowance provides \$1,772,000 in direct appropriations, \$1,293,000 to be transferred from the OASI trust fund and \$33,000 to be transferred from the operating fund, Bureau of Federal Credit Unions. These allowances, compared with amounts appropriated in 1965, represent a decrease of \$2,167,000 in direct appropriations, and a reduction of \$14,000 under the transfer amounts.

In fiscal year 1966, the staff and the functions of the Grant-in-Aid Audit Division activities are being transferred from the appropriation to a new Office of Audit, which will result in a decrease of \$2,212,000 and 199 positions in this item.

The budget included a request for eight grade GS-14 staff assistants, one for each of the eight largest regional offices. The committee concurs with the House in disallowing the \$114,000 required to cover the salaries of these eight positions. The requests for 10 additional grade GS-5 management services clerks needed to keep abreast of growing clerical workloads due to program expansion throughout the field, and 1 GS-12 management approval officer at the headquarters office are approved.

#### SURPLUS PROPERTY UTILIZATION

1965 appropriation.....	\$1, 001, 000
1966 budget estimate.....	1, 053, 000
House allowance.....	1, 053, 000
Committee recommendation.....	1, 053, 000

The committee concurs in the House allowance of the full budget estimate of \$1,053,000, an increase of \$52,000 over the 1965 appropriation.

The Department has informed the committee that in 1964 based on acquisition costs \$418 million worth of personal properties, and \$35.4 million worth of real property were transferred to State agencies. It is estimated that personal property allocations will total \$400 million in 1965 and increase to \$425 million in 1966. Real property transfers were expected to approximate \$37 million in 1965 and reach \$45 million in 1966.

#### OFFICE OF THE GENERAL COUNSEL, SALARIES AND EXPENSES

1965 appropriation.....	\$2, 174, 500
1966 budget estimate.....	2, 314, 000
House allowance.....	2, 314, 000
Committee recommendation.....	2, 314, 000

The committee approves the House allowance of \$2,314,000, the full budget estimate and an increase of \$139,500 over the amount appropriated in 1965. The recommendation includes \$1,435,000 in direct appropriations, an increase of \$167,500 above 1965, and authority to transfer \$29,000 from the "Revolving fund for certification and other services, Food and Drug Administration"; and \$850,000 from the OASI trust fund. Transfer authority is \$28,000 less than the amount allowed in 1965.

The principal item of increase is an additional \$78,337 for 10 new positions and related expenses. This will increase the total number of positions from 207 to 217.

#### EDUCATIONAL TELEVISION ACTIVITIES

1965 appropriation.....	\$13, 000, 000
1966 budget estimate.....	11, 826, 000
House allowance.....	8, 826, 000
Committee recommendation.....	300, 000

The committee recommends an appropriation of \$300,000, a decrease of \$8,526,000 under the House allowance, \$11,526,000 under the budget estimate, and \$12,700,000 less than the 1965 appropriation.

This appropriation item provides funds for grants made on a matching basis for the purchase and installation of transmission equipment to be used by noncommercial educational television stations.

The request for \$11,826,000 provided for an estimated 64 project grants, approximately 38 grants for construction of new stations, and 26 for expansion of existing stations. The House allowance of \$8,826,000 would provide for an estimated 49 project grants, approximately 31 new station projects, and 18 expansion projects.

The House report makes this comment:

The reduction by the committee does not reflect any lack of support for this program. At the current rate of progress it appears that at least \$3,000,000 will not be needed until fiscal 1967.

The committee has been informed that the rate of obligations in 1965 was substantially less than anticipated, with an unobligated balance brought forward into 1966 of \$10,199,000.

For fiscal year 1965 the obligations amounted to \$5,379,000. The unobligated balance which remains available until expended, of \$10,199,000, will provide funds for a greatly expanded program for fiscal year 1966. The committee has approved only funds for administrative expenses.

#### COST SHARING IN RESEARCH PROJECTS

The committee has deleted section 203 of the bill which provides that:

None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

The concept of cost sharing on research projects for which the Federal Government provides grant support is an appealing one and one which can be justified on several grounds. The fuller term "grant-in-aid" succinctly describes the purpose of a grant program and carries the clear implication that some financial participation by the grantee is expected. And this, indeed, is no doubt feasible and desirable in many cases.

However, in many other cases it is clearly neither feasible nor desirable. It was pointed out to the committee that there are many non-profit research institutions in the country whose work is almost exclusively supported by grants from the Federal Government. Many of these institutions have no endowments, no outside source of funds, and only limited capital assets. They have no resources on which they can draw in order to make the cost-sharing contribution which this provision of the bill would require.

These institutions, though they receive only a small proportion of the grant funds made available in this bill, are probably as numerous as the large educational institutions to whom the cost-sharing requirement seems to be largely directed. Among NIH grantees alone, there were, in 1964, well over a hundred research institutes many of which would probably find it impossible to comply honestly with the proposed provision. The contribution which these institutes make to research is by no means inconsiderable and it would be a serious mistake to deprive the Nation of the benefits that can be derived from their work. The saving that would accrue to the Federal Government from the small contribution, which is all that would be required under the cost-sharing provision, would be out of all proportion to the loss to the national research effort that would result from the inability of some of these institutions to continue their participation.

A different problem arises in the case of some other noneducational institutions which do have other sources of income but which, unlike the universities, do not include research among their normal activities. Small community hospitals, for example, fall into this class. If a physician or staff member were to apply for a research grant for

a project to be conducted in such a hospital, which would thereby become the grantee institution, the hospital would be put into the position of having to assume a new cost.

The committee considers the cost-sharing requirement to be inappropriate for the research grant programs covered by the appropriations in this bill and has therefore deleted the relevant provision.

## RELATED AGENCIES

### NATIONAL LABOR RELATIONS BOARD

#### SALARIES AND EXPENSES

1965 appropriation.....	\$26,157,500
1966 budget estimate.....	28,165,000
House allowance.....	28,165,000
Committee recommendation.....	28,165,000

The committee recommends an appropriation of \$28,165,000, the same amount as approved by the House and the full budget estimate, an increase of \$2,007,500 over the 1965 appropriation.

The Board resolves representation disputes in industry and remedies and prevents specified unfair labor practices by employers or labor organizations.

An increase in appropriations is needed to enable the agency to effectively cope with a steadily rising caseload in both unfair labor practice and representation cases. Estimates for 1966 reflect an intake increase over 1965 of 8.4 percent for unfair labor practice cases and 5.7 percent for representation cases.

The committee allowance will provide increases of \$839,700 for mandatory administrative items, and \$1,167,800 for the four program items, namely field investigations, trial examiner hearings, Board adjudication, and securing of compliance with Board orders.

### NATIONAL MEDIATION BOARD

1965 appropriation.....	\$2,022,000
1966 budget estimate.....	2,050,000
House allowance.....	2,050,000
Committee recommendation.....	2,050,000

The committee recommends an appropriation of \$2,050,000, the full amount of the budget estimate and the House allowance, and an increase of \$28,000 over the 1965 appropriation. The allowance will provide increases of \$22,000 for mediation activities, and \$6,000 for the adjustment of railroad grievances.

The Board mediates labor disputes and determines collective bargaining representatives for the 700 carriers and 1.25 million employees in the railroad and airline industries.

### RAILROAD RETIREMENT BOARD

#### LIMITATION ON SALARIES AND EXPENSES (TRUST FUND)

1965 appropriation.....	\$10,700,000
1966 budget estimate.....	10,650,000
House allowance.....	10,650,000
Committee recommendation.....	10,650,000

The committee recommends an appropriation of \$10,650,000, the same as the budget estimate and House allowance, and a reduction of \$50,000 below the 1965 appropriation. These funds are to be derived from the railroad retirement account.

The decrease is a net figure representing increases totaling \$122,000 for within-grade salary adjustments, increases in workloads in the expansion of the policing program and maintenance of beneficiary rolls, and other minor items, and decreases of \$172,000 due to savings from improvement in productivity, and decreases in workloads in processing claims, maintenance of earnings accounts, and other activities. There is a reduction in the total number of permanent positions from 1,068 in 1965 to 1,056 in 1966.

The Board provides to eligible railroad workers annuities for age and disability, and benefits for survivors, financed jointly by employee-employer taxes. The administrative expenses of the Board in the operation of this program are financed from a portion of these taxes.

The number of persons on the rolls receiving monthly benefit payments is estimated to be 907,000 at the end of 1966.

#### PAYMENT FOR MILITARY SERVICE CREDITS

1965 appropriation.....	\$13,834,000
1966 budget estimate.....	16,558,000
House allowance.....	16,558,000
Committee recommendation.....	16,558,000

The committee approved an appropriation of \$16,558,000, the full amount of the budget estimate and the House allowance, and an increase of \$2,724,000 over the amount appropriated for 1965.

Railroad workers entering military service may have such service credited toward benefits under the railroad retirement system under certain conditions.

The Congress appropriated \$13,834,000 for fiscal year 1965 as the first of 10 annual installments in payment of the amounts legislatively determined to be due the railroad retirement account for military service performed from July 1, 1948, through June 30, 1963. The committee allowance of \$16,558,000 will pay the second annual installment on the amount due the railroad retirement account for creditable military service for the period through June 30, 1963.

#### FEDERAL MEDIATION AND CONCILIATION SERVICE

1965 appropriation.....	\$6,334,000
1966 budget estimate.....	6,652,000
House allowance.....	6,610,000
Committee recommendation.....	6,610,000

The committee approved the House allowance of \$6,610,000, which is a decrease of \$42,000 under the budget estimate and an increase of \$276,000 over the amount appropriated for 1965.

The House deleted \$42,000 sought for mandatory within-grade salary advances. The Service has indicated that this reduction will obviously not have a crippling effect on its functions, and that absorp-

tion will be achieved principally by postponing effective employment dates in staffing new positions.

The Service assists labor and management in mediation and prevention of disputes affecting industries engaged in interstate commerce and defense production other than rail and air transportation. During 1965 dispute notices affecting approximately 117,300 employers were received; cases totaling 20,797 were assigned for mediation; and 20,530 mediation assignments were closed.

#### INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

1965 appropriation.....	\$5,000
1966 budget estimate.....	5,000
House allowance.....	5,000
Committee recommendation.....	5,000

The committee approves an appropriation of \$5,000, the same as the budget estimate, House allowance, and 1965 appropriation.

This appropriation represents the Federal Government's pro rata share of the general expenses of the Commission, which has a total annual budget of approximately \$60,000.

The Commission will receive an estimated \$22,300 from the Public Health Service as one the interstate agencies receiving assistance under the program of grants for water pollution control activities.

This Commission was created by compact among the four States in the Potomac River Basin (Virginia, Maryland, West Virginia, and Pennsylvania), the District of Columbia, and the Federal Government to abate water pollution.

#### U.S. SOLDIERS' HOME (TRUST FUND)

1965 appropriation.....	\$7,018,000
1966 budget estimate.....	7,076,000
House allowance.....	7,076,000
Committee recommendation.....	7,076,000

The committee approves an appropriation, to be derived from the Soldiers' Home permanent fund of \$7,076,000, which is the same as the budget estimate and House allowance, and an increase of \$58,000 over the 1965 appropriation.

The funds will provide medical and domiciliary care and other authorized benefits for the relief and support of certain old, invalid, or disabled soldiers of the Regular Army and airmen of the Air Force.

#### FEDERAL RADIATION COUNCIL

1965 appropriation.....	None
1966 budget estimate.....	\$166,000
House allowance.....	166,000
Committee recommendation.....	166,000

The committee recommends an appropriation of \$166,000, the same as the budget estimate and House allowance for this new account.

The Council was established by Executive Order 10831, and Public Law 86-373, to advise the President with respect to radiation matters directly or indirectly affecting health, including guidance for all Fed-

eral agencies in the formulation of radiation protection standards. Members of the Council are the Secretaries of Health, Education, and Welfare; Agriculture; Defense; Commerce; and Labor; and the Chairman of the Atomic Energy Commission. Through 1965, activities were supported by contribution from the member agencies. These transfer amounted to \$58,000 in 1964 and \$162,000 in 1965. A direct appropriation to cover all costs of executive direction and administration is being made for 1966.

#### GENERAL PROVISIONS

##### SECTION 1001—PER DIEM RATE FOR CONSULTANTS

The committee has included authority permitting the payment of consultants at rates not in excess of the per diem equivalent of the maximum pay rate authorized by the Classification Act of 1949, as amended. The Departments sought a maximum of \$100 a day rate in the President's 1966 budget, which authority was not allowed by the House. Appeal was made for restoration to the Senate. The committee in adding the language "at rates not in excess of the per diem equivalent of the highest rate authorized under the Classification Act of 1949, as amended" would permit a maximum per diem rate of \$94.23, rather than the maximum \$100 rate approved by the President in his budget.

## PERMANENT APPROPRIATIONS, GENERAL AND SPECIAL FUNDS

Agency and item	Appropriated, 1965	Estimates, 1966	Increase (+), decrease (-)
Office of Education:			
Payments to States and Territories for colleges of agriculture and mechanic arts (act of Mar. 4, 1907)-----	\$2, 550, 000	\$2, 550, 000	-----
Payments to States for promotion of vocational education (act of Feb. 23, 1917)-----	7, 161, 000	7, 161, 000	-----
Total-----	9, 711, 000	9, 711, 000	-----

## TRUST FUNDS

[Not a charge against general revenue]

Agency and item	Appropriated, 1965	Estimates, 1966	Increase (+), decrease (-)
DEPARTMENT OF LABOR			
Bureau of Employment Security: Unemployment trust fund-----	\$4, 012, 622, 000	\$3, 981, 687, 000	— \$30, 935, 000
Bureau of Employees' Compensation:			
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended-----	24, 000	22, 000	— 2, 000
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia-----	7, 000	7, 000	-----
Administration of the District of Columbia Workmen's Compensation Act--	326, 000	334, 000	+ 8, 000
Total, Department of Labor-----	4, 012, 979, 000	3, 982, 050, 000	— 30, 929, 000



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE			
Office of the Secretary:			
President's Council on Aging-----	10, 000		--10, 000
Public Health Service trust funds-----	137, 000	123, 000	--14, 000
Social Security Administration:			
Federal disability insurance trust fund-----	1, 222, 065, 000	1, 455, 293, 000	+233, 228, 000
Federal old-age and survivors insurance trust fund-----	16, 162, 440, 000	17, 552, 554, 000	+1, 390, 114, 000
Total, Department of Health, Education, and Welfare-----	17, 384, 652, 000	19, 007, 970, 000	+1, 623, 318, 000
RAILROAD RETIREMENT BOARD			
Railroad retirement account-----	1, 289, 302, 000	1, 387, 358, 000	+98, 056, 000
Limitation on Railroad Unemployment Insurance Administration fund-----	8, 200, 000	7, 700, 000	--500, 000
Total, Railroad Retirement Board-----	1, 297, 502, 000	1, 395, 058, 000	+97, 556, 000
Total trust funds, all agencies-----	22, 695, 133, 000	24, 385, 078, 000	+1, 689, 945, 000

# COMPARATIVE STATEMENT OF THE APPROPRIATIONS FOR FISCAL YEAR 1965, AND THE ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1966

## TITLE I—DEPARTMENT OF LABOR

Item	Appropriation, fiscal year 1965	Budget esti- mates, 1966	House allowance	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropriations, 1965	Budget esti- mates, 1966	House bill
MANPOWER ADMINISTRATION							
Office of Manpower Administrator, salaries and expenses.....		\$16,780,000	\$7,794,000	\$7,794,000	+\$7,794,000	—\$8,986,000	
<i>Transfer from unemployment trust fund.....</i>	<i>(.....)</i>	<i>(15,328,000)</i>	<i>(.....)</i>			<i>(—15,328,000)</i>	
Manpower development and training activities.....	\$396,906,000	273,500,000	273,500,000	273,500,000	—123,406,000		
Area redevelopment activities.....	8,500,000				—8,500,000		
Trade adjustment activities.....	344,000				—344,000		
Farm labor contractor registration activities.....	350,000				—350,000		
Bureau of Apprenticeship and Training, salaries and expenses..	5,722,000		6,665,000	6,665,000	+943,000	+6,665,000	
Bureau of Employment Security, salaries and expenses.....			\$2,160,000	\$2,160,000	+\$2,160,000	+\$2,160,000	
<i>Transfer from unemployment trust fund.....</i>	<i>(\$13,952,500)</i>		<i>(15,434,000)</i>	<i>(15,434,000)</i>	<i>(+1,481,500)</i>	<i>(+15,434,000)</i>	
Advances for employment services.....		\$39,280,000		20,000,000	+20,000,000	—19,280,000	+\$20,000,000
<i>Limitation on grants to States for unemployment compensation and employment service administration.....</i>	<i>(455,656,000)</i>	<i>(492,100,000)</i>	<i>(492,100,000)</i>	<i>(492,100,000)</i>	<i>(+36,464,000)</i>		
Unemployment compensation for Federal employees and ex-servicemen.....	137,000,000	141,000,000	131,000,000	131,000,000	—6,000,000	—10,000,000	
Compliance activities, Mexican farm labor program.....	800,000				—800,000		
<i>Salaries and expenses, Mexican farm labor program.....</i>	<i>(800,000)</i>				<i>(—800,000)</i>		
Total, Manpower Administration.....	549,622,000	470,560,000	421,119,000	441,119,000	—108,503,000	—29,441,000	+20,000,000

LABOR-MANAGEMENT RELATIONS							
Labor-Management Services Administration.....	7,743,300	8,580,000	8,580,000	8,580,000	+836,700		
Bureau of Veterans' Reemployment Rights.....	820,700				-820,700		
Total, labor-management relations.....	8,564,000	8,580,000	8,580,000	8,580,000	+16,000		
WAGE AND LABOR STANDARDS							
Bureau of Labor Standards.....	3,674,600	3,172,000	3,220,000	3,242,500	-432,100	+70,500	+22,500
Women's Bureau.....	799,200	860,000	860,000	860,000	+60,800		
Wage and Hour Division.....	20,952,000	20,405,000	20,905,000	20,905,000	-47,000	+500,000	
Bureau of Employees' Compensation, salaries and expenses.....	4,534,200	4,311,000	4,495,000	4,495,000	-39,200	+184,000	
Transfers from trust funds.....	(62,100)	(63,000)	(63,000)	(63,000)	(+900)		
Employees' compensation claims and expenses.....	52,650,000	49,606,000	48,530,000	48,530,000	-4,120,000	-1,076,000	
Total, wage and labor standards.....	82,610,000	78,354,000	78,010,000	78,032,500	-4,577,500	-321,500	+22,500
BUREAU OF LABOR STATISTICS							
Salaries and expenses.....	18,542,000	20,601,000	19,601,000	19,726,000	+1,184,000	-875,000	+125,000
BUREAU OF INTERNATIONAL LABOR AFFAIRS							
Salaries and expenses.....	881,500	1,204,000	1,204,000	1,204,000	+322,500		
OFFICE OF THE SOLICITOR							
Salaries and expenses.....	5,047,000	5,300,000	5,401,000	5,401,000	+354,000	+101,000	
Transfer from unemployment trust fund.....	(136,000)	(136,000)	(136,000)	(136,000)			
OFFICE OF THE SECRETARY							
Salaries and expenses.....	3,050,000	3,545,000	3,545,000	3,545,000	+495,000		
Transfer from unemployment trust fund.....	(140,000)	(140,000)	(140,000)	(140,000)			
Total appropriations, Department of Labor.....	668,316,500	588,144,000	537,460,000	557,607,500	-110,709,000	-30,536,500	+20,147,500

*Comparative statement of the appropriations for fiscal year 1965, and the estimates and amounts recommended in the bill for fiscal year 1966—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE**

Item	Appropriation, fiscal year 1965	Budget esti- mates, 1966	House allowance	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations, 1965	Budget esti- mates, 1966	House bill
FOOD AND DRUG ADMINISTRATION							
Salaries and expenses.....	\$40,370,000	\$50,352,000	\$50,352,000	\$50,352,000	+\$9,982,000		
Buildings and facilities.....	10,875,000	6,324,000	5,720,000	6,324,000	-4,551,000		+\$604,000
Total, Food and Drug Administration.....	51,245,000	56,676,000	56,072,000	56,676,000	+5,431,000		+604,000
OFFICE OF EDUCATION							
Expansion and improvement of vocational education.....	158,296,000	257,491,000	262,491,000	252,491,000	+94,195,000	-5,000,000	-10,000,000
Higher education facilities construction.....	463,150,000	641,750,000	641,750,000	632,700,000	+169,550,000	-9,050,000	-9,050,000
Further endowment of colleges of agriculture and the mechanic arts.....	11,950,000	11,950,000	11,950,000	11,950,000			
Grants for public libraries.....	55,000,000	55,000,000	55,000,000	55,000,000			
Payments to school districts.....	332,000,000	347,000,000	347,000,000	347,000,000	+15,000,000		
Assistance for school construction.....	58,400,000	50,190,000	50,078,000	50,078,000	-8,322,000	-112,000	
Defense educational activities.....	348,603,000	412,608,000	412,608,000	412,608,000	+64,005,000		
Educational improvement for the handicapped.....	16,500,000	21,500,000	21,500,000	21,500,000	+5,000,000		
Cooperative research.....	15,840,000	25,000,000	25,000,000	25,000,000	+9,160,000		
Educational research (special foreign currency program).....	500,000	1,000,000	1,000,000	1,000,000	+500,000		
Foreign language training and area studies.....	1,500,000	2,000,000	2,000,000	2,000,000	+500,000		
Salaries and expenses.....	20,127,500	23,072,000	22,562,000	22,562,000	+2,434,500	-510,000	
Total, Office of Education.....	1,481,866,500	1,848,561,000	1,852,939,000	1,833,889,000	+352,022,500	-14,672,000	-19,050,000

VOCATIONAL REHABILITATION ADMINISTRATION							
Grants to States.....	100, 100, 000	124, 000, 000	124, 000, 000	124, 000, 000	+23, 900, 000		
Research and training.....	41, 065, 000	45, 845, 000	46, 045, 000	46, 095, 000	+5, 030, 000	+250, 000	+50, 000
Research and training (special foreign currency program).....	2, 000, 000	2, 000, 000	2, 000, 000	2, 000, 000			
Salaries and expenses.....	3, 232, 000	3, 415, 000	3, 415, 000	3, 415, 000	+183, 000		
Total, Vocational Rehabilitation Administration.....	146, 397, 000	175, 260, 000	175, 460, 000	175, 510, 000	+29, 113, 000	+250, 000	+50, 000
PUBLIC HEALTH SERVICE							
Buildings and facilities.....	22, 512, 000	7, 781, 000	9, 431, 000	8, 977, 000	-13, 535, 000	+1, 196, 000	-454, 000
Injury control.....	3, 886, 000	4, 199, 000	4, 500, 000	4, 199, 000	+313, 000		-301, 000
Chronic diseases and health of the aged.....	53, 908, 000	61, 203, 000	66, 453, 000	67, 453, 000	+13, 545, 000	+6, 250, 000	+1, 000, 000
Communicable disease activities.....	29, 974, 000	39, 347, 000	31, 347, 000	31, 497, 000	+1, 523, 000	-7, 850, 000	+150, 000
Community health practice and research.....	28, 230, 000	63, 482, 000	60, 482, 000	55, 482, 000	+27, 252, 000	-8, 000, 000	-5, 000, 000
Control of tuberculosis.....	10, 932, 000	15, 666, 000	15, 666, 000	15, 666, 000	+4, 734, 000		
Control of venereal diseases.....	10, 105, 000	10, 392, 000	10, 392, 000	10, 392, 000	+287, 000		
Dental services and resources.....	7, 228, 000	7, 903, 000	7, 903, 000	8, 383, 000	+1, 155, 000	+480, 000	+480, 000
Nursing services and resources.....	21, 660, 000	21, 075, 000	21, 075, 000	18, 075, 000	-3, 585, 000	-3, 000, 000	-3, 000, 000
Hospital construction activities.....	245, 907, 000	303, 304, 000	259, 089, 000	303, 304, 000	+57, 397, 000		+44, 215, 000
Construction of health educational facilities.....	110, 782, 000	90, 599, 000	90, 599, 000	90, 599, 000	-20, 183, 000		
Environmental health sciences.....	9, 380, 000	15, 933, 000	15, 933, 000	15, 983, 000	+6, 603, 000	+50, 000	+50, 000
Air pollution.....	20, 995, 000	24, 403, 000	26, 037, 000	26, 037, 000	+5, 042, 000	+1, 634, 000	
Environmental engineering and sanitation.....	9, 170, 000	9, 293, 000	9, 842, 000	9, 842, 000	+672, 000	+549, 000	
Occupational health.....	5, 194, 000	5, 584, 000	5, 724, 000	5, 990, 000	+796, 000	+406, 000	+266, 000
Radiological health.....	19, 720, 000	20, 818, 000	21, 044, 000	21, 044, 000	+1, 324, 000	+226, 000	
Water supply and water pollution control.....	35, 126, 000	40, 601, 000	44, 514, 000	44, 514, 000	+9, 388, 000	+3, 913, 000	
Grants for waste treatment works construction.....	90, 000, 000	100, 000, 000	100, 000, 000	91, 000, 000	+1, 000, 000	-9, 000, 000	-9, 000, 000
Hospitals and medical care.....	55, 064, 000	56, 846, 000	57, 710, 000	58, 710, 000	+3, 646, 000	+1, 864, 000	+1, 000, 000
Foreign quarantine activities.....	7, 009, 000	7, 311, 000	7, 311, 000	7, 311, 000	+302, 000		

*Comparative statement of the appropriations for fiscal year 1965, and the estimates and amounts recommended in the bill for fiscal year 1966—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued**

Item	Appropriation, fiscal year 1965	Budget esti- mates, 1966	House allowance	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations, 1965	Budget esti- mates, 1966	House bill
PUBLIC HEALTH SERVICE—continued							
National Institutes of Health:							
General research and services.....	\$164,190,000	\$58,719,000	\$59,969,000	\$60,469,000	—\$103,721,000	+\$1,750,000	+\$500,000
National Institute of General Medical Sciences.....		122,338,000	122,338,000	124,838,000	+124,838,000	+2,500,000	+2,500,000
Biologics standards.....	4,969,000	6,406,000	6,406,000	7,206,000	+2,237,000	+800,000	+800,000
National Institute of Child Health and Human Develop- ment.....	42,696,000	53,524,000	53,524,000	55,024,000	+12,328,000	+1,500,000	+1,500,000
National Cancer Institute.....	138,970,000	149,968,000	153,618,000	158,618,000	+19,648,000	+8,650,000	+5,000,000
Special cancer research.....	10,000,000				—10,000,000		
National Institute of Mental Health.....	188,273,000	208,969,000	208,969,000	215,969,000	+27,696,000	+7,000,000	+7,000,000
Construction of community mental health centers.....	35,000,000	50,000,000	50,000,000	50,000,000	+15,000,000		
National Heart Institute.....	125,171,000	131,612,000	136,412,000	138,412,000	+13,241,000	+6,800,000	+2,000,000
National Institute of Dental Research.....	20,190,000	22,177,000	22,177,000	23,677,000	+3,487,000	+1,500,000	+1,500,000
National Institute of Arthritis and Metabolic Diseases.....	113,344,000	119,203,000	121,203,000	123,203,000	+9,859,000	+4,000,000	+2,000,000
National Institute of Allergy and Infectious Diseases.....	70,100,000	74,987,000	74,987,000	77,987,000	+7,887,000	+3,000,000	+3,000,000
National Institute of Neurological Diseases and Blindness.....	88,689,000	92,153,000	92,153,000	96,653,000	+8,564,000	+4,500,000	+4,500,000
Grants for construction of health research facilities.....	58,000,000	56,000,000	56,000,000	56,000,000	—2,000,000		
Subtotal, National Institutes of Health.....	1,058,992,000	1,146,056,000	1,157,756,000	1,188,056,000	+129,064,000	+42,000,000	+30,300,000

Scientific activities overseas (special foreign currency program).....	1,000,000	6,000,000	6,000,000	5,000,000	+4,000,000	-1,000,000	-1,000,000
National health statistics.....	6,304,000	7,310,000	7,230,000	7,230,000	+926,000	-80,000	-----
National Library of Medicine.....	3,958,000	5,010,000	5,010,000	5,510,000	+1,552,000	+500,000	+500,000
<i>Retired pay of commissioned officers (indefinite).....</i>	<i>(7,155,000)</i>	<i>(7,850,000)</i>	<i>(7,850,000)</i>	<i>(7,850,000)</i>	<i>(+695,000)</i>	-----	-----
Office of the Surgeon General, salaries and expenses.....	6,214,000	6,648,000	6,648,000	6,648,000	+434,000	-----	-----
Total, Public Health Service.....	1,873,250,000	2,076,764,000	2,047,696,000	2,106,902,000	+233,652,000	+30,138,000	+59,206,000
ST. ELIZABETHS HOSPITAL							
<i>Salaries and expenses (indefinite).....</i>	<i>(9,537,000)</i>	<i>(9,399,000)</i>	<i>(9,532,000)</i>	<i>(9,532,000)</i>	<i>(-5,000)</i>	<i>(+133,000)</i>	-----
Buildings and facilities.....	2,032,000	1,977,000	1,977,000	1,977,000	-55,000	-----	-----
Total, St. Elizabeths Hospital.....	2,032,000	1,977,000	1,977,000	1,977,000	-55,000	-----	-----
SOCIAL SECURITY ADMINISTRATION							
<i>Limitation on salaries and expenses.....</i>	<i>(331,626,000)</i>	<i>(358,092,000)</i>	<i>(355,092,000)</i>	<i>(355,092,000)</i>	<i>(+23,466,000)</i>	<i>(-3,000,000)</i>	-----
<i>Limitation on construction.....</i>	<i>(5,750,000)</i>	<i>(11,860,000)</i>	<i>(11,860,000)</i>	<i>(11,860,000)</i>	<i>(+6,110,000)</i>	-----	-----
WELFARE ADMINISTRATION							
Grants to States for public assistance.....	3,187,900,000	3,242,100,000	3,000,000,000	3,000,000,000	-187,900,000	-242,100,000	-----
Assistance for repatriated U.S. nationals.....	373,000	332,000	332,000	332,000	-41,000	-----	-----
Bureau of Family Services, salaries and expenses.....	5,514,000	6,256,000	6,081,000	6,081,000	+567,000	-175,000	-----
Grants for maternal and child welfare.....	127,830,000	162,000,000	162,000,000	162,000,000	+34,170,000	-----	-----
Children's Bureau, salaries and expenses.....	4,398,000	4,494,000	4,494,000	4,494,000	+96,000	-----	-----
Juvenile delinquency and youth offenses.....	11,500,000	10,000,000	1,750,000	8,250,000	-3,250,000	-1,750,000	+6,500,000
Office of Aging, salaries and expenses.....	587,000	703,000	500,000	500,000	-87,000	-203,000	-----
Cooperative research or demonstration projects.....	1,700,000	2,000,000	1,882,000	1,882,000	+182,000	-118,000	-----
Research and training (special foreign currency program).....	-----	1,200,000	1,200,000	1,200,000	+1,200,000	-----	-----
Office of the Commissioner, salaries and expenses.....	\$1,104,000	1,291,000	1,175,000	1,235,000	+131,000	-56,000	+60,000
Total, Welfare Administration.....	3,340,906,000	3,430,376,000	3,179,414,000	3,185,974,000	-154,932,000	-244,402,000	+6,560,000

*Comparative statement of the appropriations for fiscal year 1965, and the estimates and amounts recommended in the bill for fiscal year 1966—Continued*

**TITLE II—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued**

Item	Appropriation, fiscal year 1965	Budget esti- mates, 1966	House allowance	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Appropriations, 1965	Budget esti- mates, 1966	House bill
SPECIAL INSTITUTIONS							
American Printing House for the Blind.....	\$865,000	\$909,000	\$1,000,000	\$1,000,000	+\$135,000	+\$91,000	-----
Freedmen's Hospital.....	4,038,000	4,624,000	4,624,000	4,624,000	+586,000		-----
Gallaudet College, salaries and expenses.....	1,926,000	2,277,000	2,277,000	2,277,000	+351,000		-----
Gallaudet College, construction.....	367,000	308,000	308,000	384,000	+17,000	+76,000	+\$76,000
Howard University, salaries and expenses.....	9,843,000	10,982,000	10,982,000	10,982,000	+1,139,000		-----
Howard University, construction.....	1,810,000	2,920,000	2,920,000	2,920,000	+1,110,000		-----
Total, special institutions.....	18,849,000	22,020,000	22,111,000	22,187,000	+3,338,000	+167,000	+76,000
OFFICE OF THE SECRETARY							
Salaries and expenses.....	3,281,000	3,811,000	3,570,000	3,570,000	+289,000	-241,000	-----
Transfer from OASI trust fund.....	(479,000)	(483,000)	(483,000)	(483,000)	(+4,000)		-----



Office of Audit, salaries and expenses .....		3,180,000	3,313,000	3,313,000	+3,313,000	+133,000	
<i>Transfer from OASI trust fund</i> .....		(493,000)	(510,000)	(510,000)	(+510,000)	(+17,000)	
Office of Field Administration .....	3,939,000	1,886,000	1,772,000	1,772,000	-2,167,000	-114,000	
<i>Transfers</i> .....	(1,340,000)	(1,326,000)	(1,326,000)	(1,326,000)	(-14,000)		
Surplus property utilization .....	1,001,000	1,053,000	1,053,000	1,053,000	+52,000		
Office of the General Counsel, salaries and expenses .....	1,267,500	1,435,000	1,435,000	1,435,000	+167,500		
<i>Transfers</i> .....	(907,000)	(879,000)	(879,000)	(879,000)	(-28,000)		
Educational television facilities .....	13,000,000	11,826,000	8,826,000	300,000	-12,700,000	-11,526,000	-8,526,000
Total, Office of the Secretary .....	22,488,500	23,191,000	19,969,000	11,443,000	-11,045,500	-11,748,000	-8,526,000
APPALACHIAN REGIONAL DEVELOPMENT PROGRAM							
Expansion and improvement of vocational education, Office of Education .....	8,000,000				-8,000,000		
Hospital construction activities, Public Health Service .....	21,000,000				-21,000,000		
Grants for waste treatment works construction, Public Health Service .....	3,000,000				-3,000,000		
Total, Appalachian regional development program .....	32,000,000				-32,000,000		
Total, direct appropriations, Department of Health, Education, and Welfare .....	6,969,034,000	7,634,825,000	7,355,638,000	7,394,558,000	+425,524,000	-240,267,000	+38,920,000
Indefinite appropriations .....	16,692,000	17,249,000	17,382,000	17,382,000	+690,000	+133,000	
Total, direct and indirect appropriations, Department of Health, Education, and Welfare .....	6,985,726,000	7,652,074,000	7,373,020,000	7,411,940,000	+426,214,000	-240,134,000	+38,920,000

*Comparative statement of the appropriations for fiscal year 1965, and the estimates and amounts recommended in the bill for fiscal year 1966—Continued*

**TITLE III—NATIONAL LABOR RELATIONS BOARD**

Item	Appropriation, fiscal year 1965	Budget esti- mates, 1966	House allowance	Amount recommended by Senate committee	Increase (+) or decrease (—), Senate bill compared with—		
					Appropria- tions, 1965	Budget esti- mates, 1966	House bill
Salaries and expenses.....	\$26,157,500	\$28,165,000	\$28,165,000	\$28,165,000	+\$2,007,500	-----	-----

**TITLE IV—NATIONAL MEDIATION BOARD**

Salaries and expenses.....	\$2,022,000	\$2,050,000	\$2,050,000	\$2,050,000	+\$28,000	-----	-----
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**TITLE V—RAILROAD RETIREMENT BOARD**

<i>Limitation on salaries and expenses.....</i>	<i>(\$10,700,000)</i>	<i>(\$10,650,000)</i>	<i>(\$10,650,000)</i>	<i>(\$10,650,000)</i>	<i>(—\$50,000)</i>	-----	-----
Payment for military service credits.....	13,334,000	16,558,000	16,558,000	16,558,000	+2,724,000	-----	-----

**TITLE VI—FEDERAL MEDIATION AND CONCILIATION SERVICE**

Salaries and expenses.....	\$6,334,000	\$6,652,000	\$6,610,000	\$6,610,000	+\$276,000	—\$42,000	-----
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## TITLE VII—INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Contribution to Interstate Commission on the Potomac River Basin.....	\$5,000	\$5,000	\$5,000	\$5,000	-----	-----	-----
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## TITLE VIII—UNITED STATES SOLDIERS' HOME

Limitation on operation and maintenance and capital outlay.....	(\$7,018,000)	(\$7,076,000)	(\$7,076,000)	(\$7,076,000)	(+\$58,000)	-----	-----
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## TITLE IX—FEDERAL RADIATION COUNCIL

Salaries and expenses.....	-----	\$166,000	\$166,000	\$166,000	+\$166,000	-----	-----
Grand total.....	7,702,395,000	8,293,814,000	7,964,034,000	8,023,101,500	+320,706,500	-\$270,712,500	+\$59,067,500
Consisting of:							
Direct appropriations.....	7,685,703,000	8,276,565,000	7,946,652,000	8,005,719,500	+320,016,500	-270,845,500	+59,067,500
Indefinite appropriations.....	16,692,000	17,249,000	17,382,000	17,382,000	+690,000	+133,000	-----